

Singapore Budget 2018 - Quick Facts



Corporate Income Tax Rebate (CIT)

- YA 2018: Enhanced to 40% of tax payable, capped at \$15,000
- Extended for another year to YA 2019, 20% of tax payable, capped at \$10,000

Wage Credit Scheme (WCS)

- WCS which cofunds employees wages extended for 3 more years
- Provide 20% co-funding for 2018, 15% for 2019 & 10% for 2010



Tax Deduction to Support Innovation and R&D

- IP registration fees: raised to 200%, capped at \$100,000
- IP licensing payment: raised to 200%, capped at \$100,000
- Qualifying expenses incurred on local R&D raised to 250%

Double Tax Deduction for Internationalisation (DTDi)

- Effective YA 2019, \$100,000 expenditure cap for claims without prior approval will be raised to \$150,000.
- Business can continue to apply to IE Singapore or STB for qualifying expenses exceeding \$150,000



Tax Exemption Schemes



- PTE: 75% on the first \$10,000 and 50% on next \$190,000 chargeable income will be exempted from corporate tax effective YA 2020
- SUTE: 75% on the first \$100,000 and 50% on the next \$100,00 of chargeable income will be exempted from corporate tax effective YA 2020

Foreign Worker Levy

- The increase in foreign worker levy rates which was announced will be deferred by one year for the marine shipyard and process sectors. There will be no change in the increases in rates for all other sectors.



Goods & Services Tax (GST)

- To increase to 9% sometime between 2021 to 2025
- Imported digital services will be taxed effective 1 Jan 2020
- Overseas suppliers making significant supplies of digital services are to register with IRAS for GST



Carbon Tax

- Applied on all facilities producing 25,000 tonnes or more of greenhouse gas emissions in a year
- \$5 per tonne of emission from 2019 to 2023



Stamp Duty

- Top marginal stamp buyer's duty will be raised from 3% to 4%
- Applied on the value of residential properties above \$1,000,000
- Change applies to all properties acquired from 20 Feb 2018



Tobacco Excise Duty

- Tobacco excise duties to increase by 10% effective 19 Feb 2018

