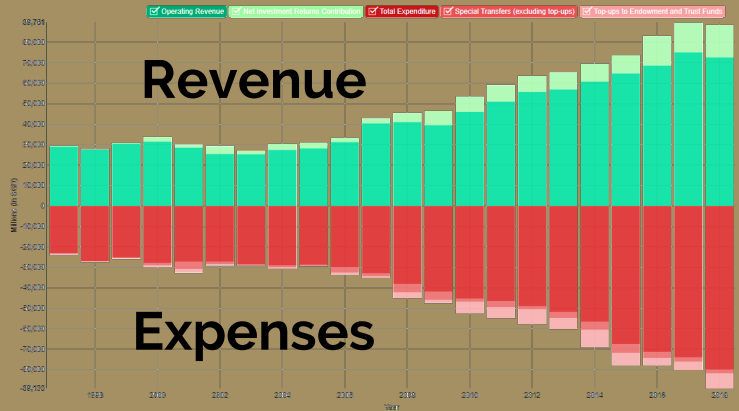


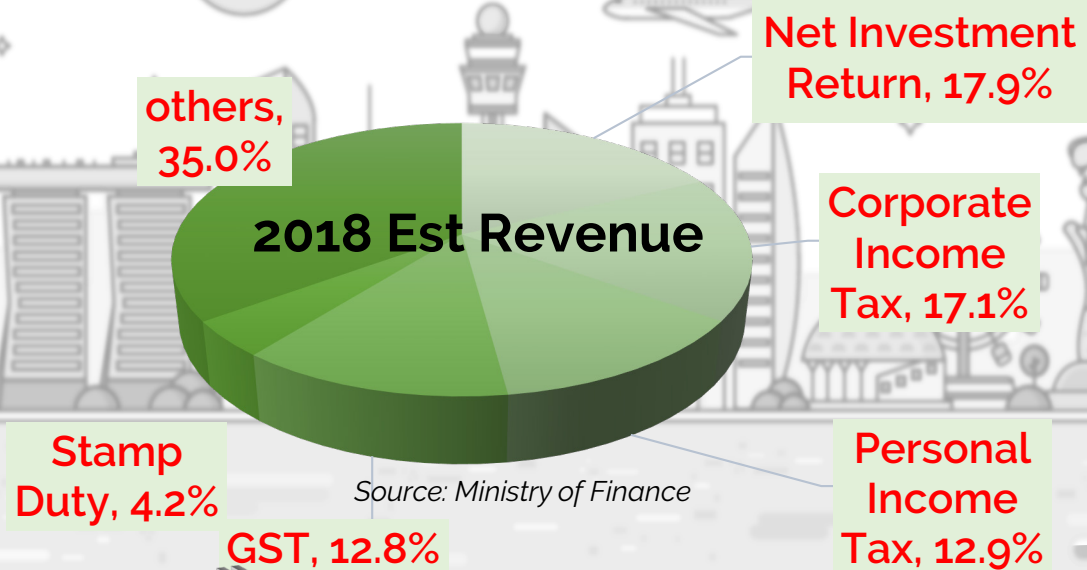
Understanding SG Budget

Prepared for each Financial Year ended 31st March

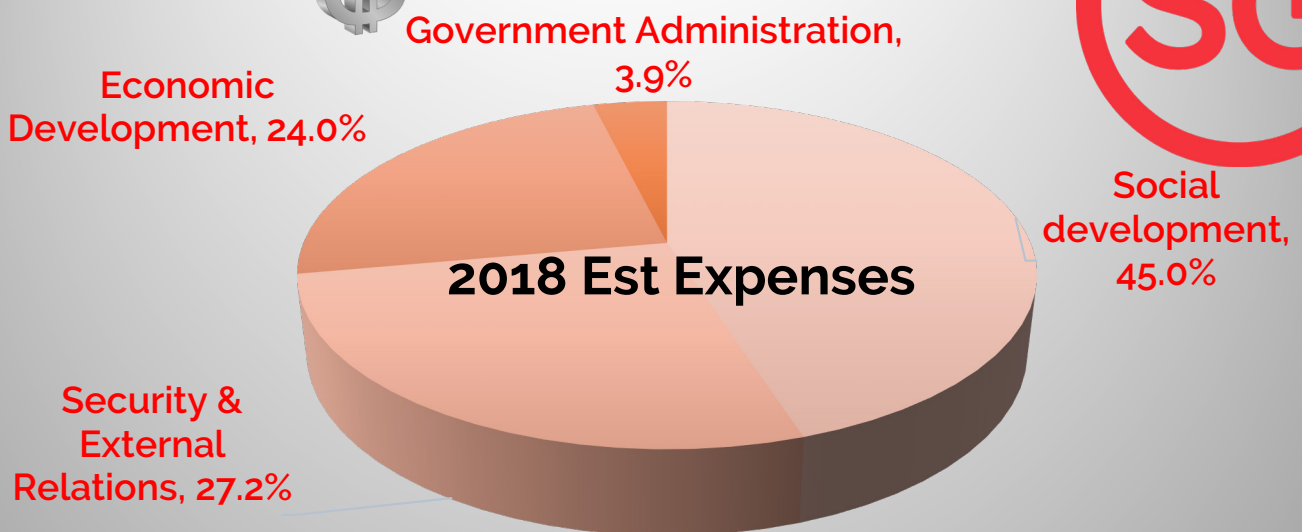
Singapore has only run a budget deficit 7 times in the last 20 years



Looking back to 2018: Revenue



Where the \$ went to?



Our Wishlist for SG 2019 Budget

Mark your Calendar!



“Economic Restructuring”
 “Infrastructure Development”
 “Security, taking care of social needs, especially in education, and healthcare”

Finance Minister
Mr. Heng Swee Keat

2018

- Double Tax Deduction for Internationalisation increased to S\$250k
- Additional S\$145m set aside for TeSA funding over next 3 years
- EDG to provide 70% of co-funding to firms
- Set R&D spending at 1% of GDP annually



2019 Wishlist

- Fintech tax incentives
- Support to get new critical technologies
- R&D cash payout for SMEs
- Top up to SkillsFuture credit



2018

- GST hike of 2ppt to 9% between 2021 & 2025
- 10% increase in tobacco excise duties



2019 Wishlist

- Lower compliance costs & regulatory fees
- More favourable financing mechanisms
- Income tax rebates, enhancements to GST Voucher scheme
- Distribution of past accumulated budget surplus



2018

- S\$300m top up to Community Silver Trust
- S\$100m top up to Senior's Mobility & Engagement fund

2019 Wishlist

- Full funding for Merdeka Generation Package
- Sugar tax; and using revenue to subsidise healthier food options



2018

- Buyers' Stamp Duty for residential properties (values >S\$1m) up from 3% to 4%
- Enhanced Proximity Housing Grant - up from S\$20k to S\$30k

2019 Wishlist

- Tax reliefs for those who pay Medishield life premiums for elderly and dependent children
- Childcare or infant-care relief for both working parents



Sources:



BREXIT



Brexit, a portmanteau of “Britain” and “exit”, is the impending withdrawal of the United Kingdom from the European Union.

Brexit would mean major impacts politically and economically, both on Europe and the rest of the world. It is now set to happen on the 29th of March 2019.

There are 4 ways Brexit can happen

No deal Brexit:

UK and EU unable to reach an agreement

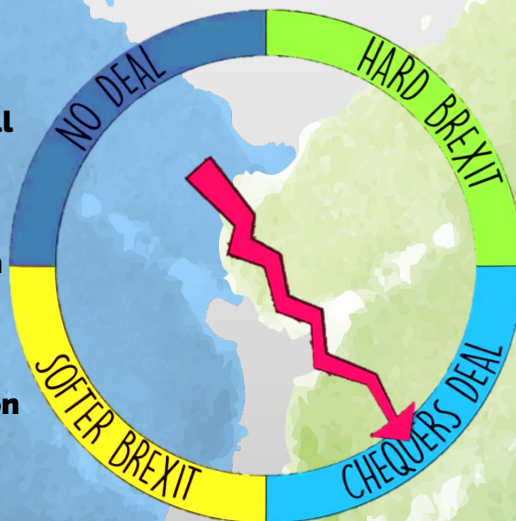
- Prices of goods will increase as goods imported from the EU will have to be tariff bound
- British-made products may be rejected by EU due to new authorisation and certification
- Government would not have to pay annual 13 billion pound contribution to the EU budget
- Some fund managers in the UK would have to move to the US as Europe has cooperation agreements with US regulators



Hard Brexit:

UK giving up full access to the single market and full access of the customs union

- WTO Rules
- British goods and services subject to tariffs
- certain sectors lose protection against cheap imports
- Likely to cause economic disruption, negative for the pound



Soft Brexit:

Leaving the EU while still maintaining as close a relationship as possible

- Goods and services would be traded with the remaining EU states on a tariff-free basis and financial firms would keep their “passporting” rights to sell services and operate branches in the EU
- Keep access to the European Single Market
- Still subject to EU law
- Likely “subverting” democracy and attempting to kill the process by “delaying it” according to Theresa May



Chequers (or any other) deal:

A deal prepared by the British government to outline the terms for Brexit. Originally coined the Chequers deal, it was rejected in September 2018.

The British Government is now trying to draft amendments or alternative agreements that would be accepted by the EU and The House of Commons. In this scenario, the government is trying to carve out the best possible conditions for the UK's withdrawal from the EU.



Hard or soft, deal or no deal, the clock is ticking till the 29th of March. The world is awaiting the conditions that the UK will be leaving the EU in. Theresa May has promised that her Government will do everything in their power to avoid a no deal situation, but she still has to convince the EU, and the majority of the House of Commons from every side. Nothing is set in stone, but what we can be certain about is the magnitude of this issue, and that the whole world is watching