

Resilience Budget

Key highlights

Mr Heng Swee Keat, the Deputy Prime Minister and Minister for Finance, delivered the Resilience Budget on 26 March 2020. This was a supplementary budget which complements the Unity Budget that was presented on 18 February, and addresses the rapidly evolving COVID-19 situation and the impact on Singapore's economy and society. Our summary of the Unity Budget is available [here](#).

The over S\$48 billion Resilience Budget which is over seven times what was announced in the Unity budget utilises reserves that the nation has saved for that rainy day to combat the fall-out from what is already a mighty storm, and which is still brewing.

The Resilience Budget built and expanded on a number of the announcements from the Unity Budget to help provide support to businesses in these extraordinary times. There was a clear focus on preserving jobs for Singaporeans, helping enterprises overcome immediate challenges such as cash flow and rental costs, and finally on strengthening economic and social resilience so that Singapore can emerge intact and stronger.

We have summarised the main takeaways for our clients and we hope everyone stays safe in these uncertain times.

Please visit the [COVID-19 Hub](#) on our website, where we will continue to share useful materials relating to the virus.

We have put in place business continuity plans which means that we are available to continue to support our clients through these difficult times.



Tax topic	Stimulus package																		
Enhanced Jobs Support Scheme	<p>Employers will receive 25% cash grant on the first SGD 4,600 of gross monthly wages (excluding employer Central Provident Fund (CPF) contributions) of each local employee on their CPF payroll. A local employee is a Singapore Citizen or Singapore Permanent Resident.</p> <p>No application for this is required.</p> <p>Table 1: JSS Tranches</p> <table><tr><th></th><th>JSS will cover wages paid in:</th><th>CPF contributions for the relevant months must be made by:</th><th>JSS will provide support of:</th><th>JSS will be paid out by:</th></tr><tr><td>Tranche 1 (Enhanced)</td><td>October - December 2019</td><td>14 February 2020</td><td rowspan="3">25% of the first \$4,600 of gross monthly wages per local employee</td><td>End-May 2020</td></tr><tr><td>Tranche 2 (New)</td><td>February - April 2020</td><td>14 May 2020</td><td>End-July 2020</td></tr><tr><td>Tranche 3 (New)</td><td>May - July 2020</td><td>14 August 2020</td><td>End-October 2020</td></tr></table>		JSS will cover wages paid in:	CPF contributions for the relevant months must be made by:	JSS will provide support of:	JSS will be paid out by:	Tranche 1 (Enhanced)	October - December 2019	14 February 2020	25% of the first \$4,600 of gross monthly wages per local employee	End-May 2020	Tranche 2 (New)	February - April 2020	14 May 2020	End-July 2020	Tranche 3 (New)	May - July 2020	14 August 2020	End-October 2020
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	<p>Higher payouts are available for employers in Aviation and Tourism (75% rather than 25% cash grant) and Food Services (50% rather than 25%). More information can be found here.</p> <p>So, for example, if you have 100 local employees all earning above SGD 4,600 a month, then you could receive $\text{SGD } 4,600 \times 25\% \times 100 \times 3 = \text{SGD } 345,000$ foreach tranche, or SGD 1,035,000 in total.</p> <p>This payment is to defray staff costs, thus, according to IRAS, it is a taxable receipt.</p>																		
Deferral of corporate income tax payment	<p>All companies with corporate income tax payments that are due in April, May and June 2020 will be granted an automatic three-month deferral of these payments. The payments that are deferred from April, May and June 2020 have to be paid in July, August and September 2020 respectively.</p> <p>Companies on GIRO may view their revised installment plans at myTax Portal in early May 2020. Companies who are not on GIRO can Corporate Tax Payment Deferment Calculator to check the extended payment due date, which is 3 months from the usual payment due date. For example, a Notice of Assessment dated 1 April 2020 which is typically due on 2 May 2020 will now be due on 1 August 2020.</p> <p>Please see the attached link for the Corporate Tax Payment Deferment Calculator. https://www.iras.gov.sg/Calculator</p>																		

Deferral of Personal Income Tax (PIT) for employees

Some employees who have already filed their YA 2020 tax return, will have received their Notices of Assessment. These employees may opt to defer their income tax payments due in May, June and July.

If the employee is paying their PIT in one lump sum, they may opt to defer the payment for three months if it was due in May, June or July 2020.

If the employee is paying their PIT by GIRO, they may opt to defer the income tax payments due in May, June and July 2020. Therefore, there will be no GIRO deductions in these three months, and GIRO will resume in August and the end-date of the instalment plan will correspondingly be extended for 3 months. The amount of income tax payable will remain the same.

Employees can opt for this deferment in the following link: <https://form.gov.sg/5d5ce149c0a8230012d27118>. For further information, please see <https://www.iras.gov.sg/irashome/Individuals/Locals/Paying-your-taxes-Claiming-refunds/Defer-Tax-Payment-for-Individual-Income-Tax/>.

Deferral of Personal Income Tax (PIT) for Self-Employed Persons (SEP)

No application is required for this.

The deadline for SEPs to file their Year of Assessment (YA) 2020 PIT remains at 18 April 2020 if they file electronically. SEPs will be automatically granted a three-month deferral of their PIT payment due in May, June and July 2020.

For SEPs paying their PIT in one lump sum, their payment will be deferred from May, June or July by three months to the respective August, September or October 2020.

For SEPs paying their PIT by monthly GIRO, the initiative effectively grants a pause on the individual's GIRO payments for May to July, and payments will restart in August 2020 and thus the instalment plan will be extended by 3 months. The amount of income tax payable remains the same.

Instalment plan for YA 2020, with the deferment, is as follows:

	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021
Prior to Resilience Budget announcement	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100			
With changes announced in Resilience Budget				\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100

The deferment eases an individual's cash flow needs for May, June and July 2020.

COVID-19 Support Grant

The Government will introduce a new COVID-19 Support Grant to support individuals who have lost their jobs as a result of the COVID-19 outbreak. The grant provides financial assistance while these individuals find a new job or attend training. Successful applicants will receive a monthly cash grant of \$800, for three months.

Further details can be found [here](#).

Enhanced Care and Support package	<p>The Government will further enhance the Care and Support Package that was announced during Budget 2020. This will provide further assurance and support to Singaporeans who are concerned about coping with their household expenses during this period of exceptional economic uncertainty. All adult Singaporeans will benefit, with more help given to the less well-off.</p> <p>Further details can be found here.</p>
Enhanced Property Tax Rebate	<p>Non-residential properties will be granted an enhanced rebate for Property Tax (PT) payable for the period 1 January 2020 to 31 December 2020.</p> <p>Further details can be found here.</p>
Rental Waiver for tenants in Government owned/ managed non-residential facilities	<p>To help alleviate costs for businesses located in Government-owned / managed non-residential facilities, the following tenants will qualify for rental waivers:</p> <ul style="list-style-type: none"> a) Stallholders of Hawker Centres and Markets. b) Commercial Tenants. c) Other Non-Residential Tenants. <p>Further details can be found here.</p>
Providing Sector Specific Support	<p>The Government has announced sector specific support for the Aviation, Tourism, Land Transport, Maritime and Arts and Culture sectors.</p> <p>Further details can be found here.</p>

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