

Singapore

Budget 2026: Securing Our Future Together in a Changed World

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- Economic transformation and resilience come together in Budget 2026 to design a roadmap to reset Singapore's future competitiveness and growth model, accompanied by generous support for both businesses and households.
- The larger-than-expected FY2025 fiscal surplus of \$15.1bn (1.9% of GDP) is a testament to Singapore's financial robustness while the projected FY26 fiscal surplus of \$8.5bn (1.0% of GDP) demonstrates Singapore's commitment to fiscal prudence and preserves some fiscal buffer in an unpredictable global environment.
- The bold strategic bet on Artificial Intelligence (AI) as a strategic advantage, not just to incubate technology but to explicitly embed AI into the national economic architecture stood out. Whether the economic payout and positive spillovers will materialise as hoped for will depend on whether Singapore businesses, workers and institutions adapt and pivot in response to the government's strategic signals.

Riding the wave of strong economic growth momentum in 2025, expectations for Budget 2026 were running high for a strategy to support businesses, workers and households in a period of geopolitical volatility, structural changes and rapid technological change, as well as address medium-term challenges through bold reforms that will drive sustainable prosperity and resilience. Titled “Securing Our Future Together in a Changed World” PM Lawrence Wong’s Budget 2026 hit a lot of high notes and checked many wishlist boxes for households, workers and businesses.

Singapore is again at a pivotal juncture. After years of generous cost-of-living support packages - first to cushion the pandemic’s shocks and then to help households adjust to rising taxes and inflation - this year’s budget marks a shift toward pragmatic, strategy-oriented policy, with tighter fiscal discipline and longer-term economic bets at its core.

Despite widespread expectations for a balanced fiscal budget in FY26, after factoring in the higher Net Investment Returns Contribution (NIRC), the overall fiscal position surprised with an \$8.5bn surplus (1.0% of GDP). This follows a larger-than-expected FY25 fiscal outturn of \$15.1bn (1.9% of GDP), which is even higher than our forecast for \$12.3bn (1.6% of GDP). A conservative and fiscally prudent footing for Budget 2026 leaves considerable dry fiscal powder on the table to potentially support the economy in case downside growth risks materialise.

The key highlights of Budget 2025 are as follows:

Economic Strategies: What’s New?

The standout feature of Budget 2026 is its heavy emphasis on AI. This is not your run-of-the-mill or modest upgrade of existing tech support schedules, but an all-out coordinated and multifaceted push to make AI central to Singapore’s economic and workforce strategy for the coming years if not decades. This is essentially pinning Singapore’s future growth to the AI narrative, driving AI adoption, productivity and innovation in four key economic pillars of advanced manufacturing, connectivity, finance and healthcare.

To bring this AI hub from ambition to reality, a National AI Council will be established, and more importantly, chaired by PM Lawrence Wong to steer and coordinate national AI efforts. This signals that it is “mission critical” rather than optional. The messaging is that AI will be the transformational force to lift GDP growth to the upper end of the 2-3% pa growth trend. Additionally, a pilot initiative titled ‘Lorong AI’ was launched as a dedicated co-working venue that facilitates the growth of a vibrant AI-enabled economy.

There is a whole slew of business incentives and support programmes tied to AI. For instance, Budget 2026 introduces the Champions of AI programme which is designed to accelerate AI uptake by supporting companies that aspire to undertake holistic, organisation-wide AI transformation rather than in a piecemeal fashion.

In particular, SMEs will be incentivised to adopt AI as the Enterprise Innovation Scheme will recognise AI expenditures as a qualifying activity for YA2027 and YA2028, capped at \$50,000 per Year of Assessment across 2027 and 2028. This will help to embed AI not just as a tool but as a core transformation driver. In addition, the Productivity Solutions Grant (PSG) is increased to encompass a more extensive range of digital and AI-enabled solutions for firms to compete more effectively. This reflects a commitment to democratise access to technology beyond deep-tech startups.

Sectors like legal and accountancy professionals will also get a fresh impetus for structured AI skill development, and those who complete selected courses will receive six months' free access to premium AI tools.

What's Not So New, but Retooled and Refreshed?

To solidify gains made from earlier investments, Budget 2026 unveiled additional support to further develop the domestic fund management industry. To that end, the government announced a \$1.5bn top-up to the Financial Sector Development Fund (FSDF), as well as the launch of a second \$1.5bn tranche of the Anchor Fund to enhance Singapore's attractiveness as a listing destination.

Budget 2026 is also favourable to startup ecosystem. The Startup SG Equity scheme, which has mainly focused on early-stage fundings, will be enhanced with a \$1bn top-up and an expanded scope to cover growth-stage companies. This is critical as growth-stage capital has tightened globally resulting in difficulties to access funding to scale. By keeping credit lines open, this will bolster our ambition to be a leading centre for growth capital and scaling Singaporean innovators.

With new technologies advancing at an unprecedented scale, Singapore must be "a place where frontier technologies are developed, tested, and commercialised." Budget 2026 underlines the importance of anchoring critical segments of global value chains in Singapore, with \$37bn to be invested into technology under the RIE2030 plan.

Boosting Business Resilience and Accelerating Workforce Skills

Budget 2026 continues Singapore's commitment to strengthening the competitiveness of businesses amid rising global uncertainty. To provide immediate cost relief, the Government announced a 40% Corporate Income Tax rebate for YA2026, and all active companies employing at least one local worker will receive a minimum of \$1,500, capped at \$30,000 benefit.

This is complemented by enhanced support to strengthen firms' capacity to internationalise and innovate. For companies that internationalise, support levels for grant schemes include: (a) up to 70% for SMEs and (b) up to 50% for non-SMEs (which is very generous!). Further fiscal incentives come in the form of an expanded cap on tax deduction claims from \$150,000 to \$400,000 under the Double Tax Deduction for Internationalisation scheme. The new growth markets lie further afield as Latin America, Middle East and even Africa were mentioned. These moves wager that Singapore's future growth lies not just in our regional backyard but in global market integration.

On the workforce front, Budget 2026 prioritises wage progression and lifelong learning to promote a resilient labour market. For lower-wage workers, the Local Qualifying Salary (LQS) will increase from \$1,600 to \$1,800 in 2026, supported by an enhancement to the Progressive Wage Credit Scheme (PWCS). PWCS co-funding support will be increased from 20% to 30% in 2026 and will be extended until 2028. To encourage firms to invest in their workers, the minimum wage increase to qualify for PWCS support increases from \$100 to \$200 in 2027. Meanwhile the quality of foreign manpower will be maintained through higher Employment Pass (EP) and S Pass qualifying salaries. From January 2027, for new applicants, EP minimum qualifying salary and S Pass qualifying salary increases from \$5,600 to \$6,000 (and \$6,200 to \$6,600 for financial services), and from \$3,300 to \$3,600 (and \$3,800 to \$4,000 for financial services) respectively. These moves may be painful to companies currently struggling with high

business costs, but are not new per se and have featured in previous budgets as part of the integral push for firms to upgrade and move up the value chain of activities, while balancing foreign talent inflows with local employment quality.

On the training front, SkillsFuture Singapore will merge with Workforce Singapore into a new statutory board jointly overseen by MOM and MOE, creating an integrated system for skills training, career guidance and job matching services. The revamp will streamline access thereby providing a more effective and efficient experience for Singaporeans to identify areas for upskilling. Moreover, a positive experience would also encourage ongoing efforts towards upskilling and lifelong learning. Training support under the Workfare Skills Support scheme will also be strengthened through an enhanced basic tier and higher hourly training allowances for workers upgrading their skills. Senior workers are also not forgotten. Complementary support for seniors includes the extension of the Senior Employment Credit to end 2027, incentivising firms to retain mature workers.

Addressing Household Affordability Beyond One-Off Payments

As many Singaporeans, especially middle-income groups, still feel cost pressures from housing, healthcare, childcare etc. Concrete steps were provided in past Budgets to promote social mobility and offer greater assurance to households by providing financial assistance to cope with elevated costs. A cost-of-living special payment of up to \$400 will be given to eligible Singaporean adults who require additional support in September. Meanwhile, eligible HDB households will also receive U-Save rebates of up to \$570 to help with their utilities expenses. This comes after carbon tax was increased from \$25 to \$45 per tonne. Leveraging the existing CDC voucher scheme, all Singaporean households will receive \$500 in vouchers in January 2027.

Additional supports are more targeted. These are mainly for existing and aspiring families. For families with a Singaporean child aged 12 and below, the government will provide \$500 in Child LifeSG credits per child. The government will also raise the monthly household income threshold for Infant and Childcare Additional Subsidy scheme from \$12,000 to \$15,000, thereby allowing more households to be eligible for preschool subsidies. Student care is also nudged in the same direction, with the income threshold for Student Care Fee Assistance raised to \$6,500, alongside a broader review of the student care sector. Indeed, these measures build upon ongoing efforts to encourage and create conditions and confidence for young couples to start family.

For lower-income households, the government has announced an enhancement to the ComLink+ Progress Packages, with a new payout of \$500 per quarter for ComLink+ families who commit to working with family coaches and take active steps to make progress. Additionally, a larger goal-based payout tied to stable employment and good preschool attendance for their children.

For the silver generation, there will also be further measures for seniors to age well. In particular, the government will provide a CPF top-up of up to \$1,500 for eligible Singaporeans seniors to strengthen their retirement nest. Additionally, the government announced a top-up of \$400mn to the Long-Term Care Support Fund to fund additional subsidies to cushion the impact of higher premiums, thereby giving our seniors greater assurance against long-term care costs.

Elsewhere, the government remains committed in supporting social compact running on civic participation. The government announced a three-year extension for the 250% tax deduction for qualifying donations to Institutions of a Public Character and eligible

institutions. In parallel, the Corporate Volunteer Scheme will also receive a three-year extension to end-2029. A new \$50mn SG Partnerships Fund is also introduced to catalyse ground-up initiatives and support sustained capabilities to meet community needs.

Strengthening our Tax Regime

To ensure our medium-term spending needs are met, Budget 2026 announced a calibration to taxes. The Preferential Additional Registration Fee rebate which was introduced to encourage timely renewal of the vehicle population will be reduced by 45 percentage points and the rebate cap lowered to \$30,000 (previous: \$60,000). The revision will take place to all registered cars with COEs from the next bidding exercise. In addition, sin taxes also received a fresh (and maybe unexpected) update, with the government announcing a 20% increase in tobacco excise duty across all tobacco products, effective today.

Beyond the domestic adjustments, the most consequential shift would be the implementation of the Top-up Tax under BEPS Pillar Two, thereby raising the effective tax rate for large MNCs to 15%. The urgency is therefore for Singapore to continue to stay competitive on a holistic basis, refresh and strengthen its investment promotion toolkit.

What Didn't Materialise from the Business Wishlists?

Prior to the Budget 2026 announcement, there were hope from different quarters around labour flexibility, tax clarity, other business costs like rentals etc, enhanced support for green transition and even easing of some property market measures. While some of these may be clarified down the road, but the overall sense is that Budget 2026 was a focused and targeted one rather than trying to please all constituencies.

Summary

Budget 2026 is focused on securing Singapore's economic future and enabling us to navigate in this changed world with confidence. Several of the announced measures are responses to the recommendations announced by the Economic Strategy Review Committee to drive economic transformation, sustainable growth and create good jobs. Sticking to the ethos of fiscal discipline, these pillars are pivotal in strengthening our social bonds as we prepare our society for a more complex external environment ahead. At this juncture, a strong and sound fiscal footing provides the ability to support the economy and ward off any downside risks to growth if the need materialises. While Budget 2026 does not fundamentally break with the traditions of past budgets, the true measure of this budget's transformative impact will unfold over the next few years – and not just in macroeconomic headline figures but also how businesses, workers and institutions adapt and innovate in response to the government's strategic policy signals.

Table 3.1a: Overall Fiscal Position for FY2020 to FY2026 (\$ million)

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (Revised)	FY2026 (Estimated)
Operating Revenue	67,376	82,487	91,015	103,442	115,521	130,861	134,754
Tax Revenue	61,408	74,761	82,708	94,329	103,876	115,833	119,418
Fees and Charges ¹	5,479	6,828	7,710	8,548	11,054	14,136	13,328
Others ¹	489	898	598	565	590	893	2,008
Total Expenditure	86,366	94,796	104,855	105,314	112,280	124,459	137,323
Operating Expenditure	72,936	78,543	84,438	83,829	88,896	97,468	103,269
Development Expenditure	13,430	16,253	20,417	21,485	23,385	26,991	34,054
Primary Surplus / Deficit	(18,989)	(12,310)	(13,840)	(1,872)	3,240	6,401	(2,570)
Special Transfers²	50,822	6,828	8,941	27,071	25,007	23,372	21,736
Special Transfers Excluding Top-ups to Statutory and Trust Funds	33,502	6,828	2,691	2,751	2,957	3,772	2,836
Basic Surplus / Deficit	(52,491)	(19,138)	(16,532)	(4,624)	283	2,629	(5,406)
Top-ups to Statutory and Trust Funds	17,320	–	6,250	24,320	22,050	19,600	18,900
Net Investment Returns Contribution	18,244	20,365	22,376	22,974	24,073	27,534	28,482
Overall Budget Surplus / Deficit	(51,567)	1,227	(405)	(5,970)	2,307	10,564	4,176
Add:							
Capitalisation of Nationally Significant Infrastructure	–	654	2,210	3,648	4,199	5,032	5,019
Less:							
Depreciation of Nationally Significant Infrastructure	–	–	–	–	–	–	–
SINGA Interest Costs and Loan Expenses ³	–	0	89	226	376	493	652
Overall Fiscal Position	(51,567)	1,880	1,716	(2,548)	6,131	15,103	8,543

Note: Figures may not add up due to rounding. Negative figures are shown in parentheses.

¹ Year-on-year comparison between FY2025 and FY2026 may not be meaningful due to changes in scope (see explanatory notes in The Revenue and Expenditure Estimates for the Financial Year 2026/2027).

² Special Transfers include Top-ups to Statutory and Trust Funds.

³ SINGA Interest Costs and Loan Expenses include the annual effective interest costs (which is computed based on the yield to maturity multiplied by the face value of the bond) and other ancillary loan expenses incurred in connection with the SINGA. It excludes principal repayment and transfer of loan discount to Development Fund. It is different from the Debt Servicing and Related Costs presented in the Expenditure Estimates and Annex to Expenditure Estimates for Head Y.

Source: Ministry of Finance

ANNEX H-2: FISCAL POSITION IN FY2026

	Revised FY2025	Estimated FY2026	Change Over Revised FY2025	
	Sbillion	Sbillion	Sbillion	%change
OPERATING REVENUE	130.86	134.75	3.89	3.0
Corporate Income Tax	35.24	37.77	2.53	7.2
Personal Income Tax	20.64	21.80	1.16	5.6
Withholding Tax	2.49	2.63	0.13	5.4
Statutory Boards' Contributions	0.84	0.51	(0.33)	(39.5)
Asset Taxes	6.99	7.32	0.33	4.7
Customs, Excise and Carbon Taxes	3.98	4.16	0.17	4.4
Goods and Services Tax	21.30	22.25	0.95	4.5
Motor Vehicle Taxes	2.39	2.80	0.41	17.2
Vehicle Quota Premiums	8.66	9.42	0.76	8.8
Betting Taxes	3.63	3.77	0.14	4.0
Stamp Duty	6.80	6.92	0.12	1.8
Foreign Worker Levy	7.14	7.46	0.31	4.4
Water Conservation Tax	0.40	0.41	0.01	1.3
Other Taxes (Land Betterment Charge and Annual Tonnage Tax)	3.98	1.63	(2.35)	(59.0)
Fees and Charges (Excluding Vehicle Quota Premiums) ^a	5.48	3.90	(1.57)	(28.7)
Others ^a	0.89	2.01	1.12	125.0
Less:				
TOTAL EXPENDITURE	124.46	137.32	12.86	10.3
Operating Expenditure	97.47	103.27	5.80	6.0
Development Expenditure	26.99	34.05	7.06	26.2
PRIMARY SURPLUS / DEFICIT	6.40	(2.57)		
Less:				
SPECIAL TRANSFERS^b	23.37	21.74	(1.64)	(7.0)
Special Transfers Excluding Top-ups to Statutory and Trust Funds	3.77	2.84	(0.94)	(24.8)
CPF Top-up	–	1.20		
CDC Vouchers	1.07	0.70		
COL Special Payment	–	0.69		
Other Transfers ^c	2.70	0.25		
BASIC SURPLUS / DEFICIT	2.63	(5.41)		
Top-ups to Statutory and Trust Funds	19.60	18.90	(0.70)	(3.6)
Changi Airport Development Fund	5.00	6.00		
National Productivity Fund	3.00	6.00		
National Research Fund	1.50	5.00		
Financial Sector Development Fund	–	1.50		
Other Funds ^d	10.10	0.40		
Add:				
NET INVESTMENT RETURNS CONTRIBUTION	27.53	28.48	0.95	3.4
OVERALL BUDGET SURPLUS / DEFICIT	10.56	4.18		
Add:				
CAPITALISATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	5.03	5.02	(0.01)	(0.3)
Less:				
DEPRECIATION OF NATIONALLY SIGNIFICANT INFRASTRUCTURE	–	–	–	n.a.
SINGA INTEREST COSTS AND LOAN EXPENSES^e	0.49	0.65	0.16	32.2
OVERALL FISCAL POSITION	15.10	8.54		

Notes:

Due to rounding, figures may not add up. Negative figures are shown in parentheses.

- Year-on-year comparison may not be meaningful due to changes in scope (see explanatory notes in the *Revenue and Expenditure Estimates for the Financial Year 2026/2027*).
- Special Transfers include Top-ups to Statutory and Trust Funds.
- Other Transfers for Estimated FY2026 include the CIT Rebate Cash Grant, U-Save Rebates, SG60 Vouchers and Enterprise Innovation Scheme. Other Transfers for Revised FY2025 include the SG60 Vouchers, CIT Rebate Cash Grant, Top-ups to Edusave and Post-Secondary Education Accounts, U-Save Rebates, CPF Transition Offset, NS LifeSG Credits, Top-ups to Self-Help Groups, and Enterprise Innovation Scheme.
- Other Funds for Estimated FY2026 consist of the Long-Term Care Support Fund. Other Funds for Revised FY2025 consist of the Coastal and Flood Protection Fund, Future Energy Fund, and Cultural Matching Fund.
- SINGA Interest Costs and Loan Expenses include the annual effective interest costs (which is computed based on the yield to maturity multiplied by the face value of the bond) and other ancillary loan expenses incurred in connection with the SINGA. It excludes principal repayment and transfer of loan discount to Development Fund. It is different from the Debt Servicing and Related Costs presented in the Expenditure Estimates and Annex to Expenditure Estimates for Head Y.

Source: Ministry of Finance, Annex H2

Table 1: Enhanced grant support levels for internationalisation schemes

Grant scheme	Description
Business Adaptation Grant (until 6 October 2027)	To help local enterprises impacted by tariffs to adapt their business operations and strengthen supply chain resilience through advisory and reconfiguration support.
Global Innovation Alliance (“GIA”) schemes ^a	To support Singapore-based startups to expand overseas, through participating in market access programmes and connecting with in-market experts, with a focus on technology and innovation.

Note:

- a. Enhanced support levels will apply to all outbound GIA schemes and programmes (e.g., GIA Discovery, GIA+, GIA Acceleration Programmes, GIA Co-Innovation Programmes, GIA Proof-of-Concept Grant).

Source: Ministry of Finance, Annex B1

Table 2: Enhanced loan quantum under the EFS

Facility	Current maximum loan quantum	Revised maximum loan quantum
EFS – SME Fixed Assets Loan To finance Singapore enterprises' investments in domestic and overseas fixed assets.	<ul style="list-style-type: none"> • \$30 million per borrower and borrower group^a • Subject to an overall loan exposure limit of \$50 million per borrower group across all EFS facilities 	<ul style="list-style-type: none"> • The borrower and borrower group caps for each loan facility will be lifted • Subject to an overall loan exposure limit of \$50 million per borrower group across all EFS facilities
EFS – Trade Loan To support Singapore enterprises' trade financing needs, which include the financing of short-term import, export, and guarantee needs.	<ul style="list-style-type: none"> • \$10 million per borrower and \$20 million per borrower group • Subject to an overall loan exposure limit of \$50 million per borrower group across all EFS facilities 	

Note:

a. Borrower Group consists of the following:

- Borrower
- Corporate shareholders holding more than 50% at all levels up
- Subsidiaries where the borrower holds more than 50% shareholdings and subsequent subsidiaries at all levels down
- Subsidiaries where the borrower's ultimate parent company holds more than 50% shareholdings and their subsidiaries at all levels down

Source: Ministry of Finance, Annex B1

Table 3: Enhanced support under the DTDi from YA 2027

Existing treatment	New treatment from YA 2027
<p>Businesses can automatically claim 200% tax deduction on the first \$150,000 of eligible expenses for nine activities^a per YA without prior approval.</p> <p>Prior approval is required from Enterprise Singapore or Singapore Tourism Board for expenses exceeding \$150,000 on these nine activities or expenses incurred on the remaining seven qualifying activities^b. Prior approval is also required for certain expenses incurred on overseas market development trips and overseas investment study trips.</p>	<p>The expenditure cap for claims that may be filed without prior approval will be raised from \$150,000 to \$400,000 per YA.</p> <p>The scope of claims which do not require prior approval will also be expanded to cover all eligible expenses incurred on overseas market development trips and overseas investment study trips, and the following qualifying activities:</p> <ul style="list-style-type: none"> (a) Investment feasibility/due diligence studies; (b) Master licensing and franchising; (c) Market surveys/feasibility studies; (d) Overseas business development; (e) Production of corporate brochures for overseas distribution. <p>Businesses can continue to apply to Enterprise Singapore or Singapore Tourism Board for expenses exceeding \$400,000 per YA or expenses incurred on overseas trade office and e-commerce campaigns.</p>

Notes:

- a. The nine activities are advertising in approved local trade publication, design of packaging for overseas markets, local trade fairs, overseas advertising and promotional campaign, overseas investment study trips, overseas market development trips, overseas trade fairs, product/service certification, and virtual trade fairs.
- b. The remaining activities are e-commerce campaigns, investment feasibility/due diligence studies, master licensing and franchising, market surveys/feasibility studies, overseas business development, overseas trade offices, and production of corporate brochures for overseas distribution.

Source: Ministry of Finance, Annex B1

Table 1: Enhancement and Extension of PWCS

Qualifying Year (i.e., year that wage increase was given)	Payout Period	Current	New
2026	1Q 2027	20%	30% (+10%-pt)
2027	1Q 2028	-	30%
2028	1Q 2029	-	20%

Table 2: Increase in Minimum Qualifying Wage Increase from 2027

Qualifying Year (i.e., year that wage increase was given)	Payout Period	Minimum Qualifying Wage Increase
2026	1Q 2027	\$100
2027	1Q 2028	\$200
2028	1Q 2029	\$200

Source: Ministry of Finance, Annex D1

Table 1: Revised EP Minimum Qualifying Salaries

Sector(s)	Current Minimum Qualifying Salary	Revised Minimum Qualifying Salary
All sectors, except for Financial Services	\$5,600 (increases progressively with age from age 23, up to \$10,700 at age 45 and above)	\$6,000 (increases progressively with age from age 23, up to \$11,500 at age 45 and above)
Financial Services sector	\$6,200 (increases progressively with age from age 23, up to \$11,800 at age 45 and above)	\$6,600 (increases progressively with age from age 23, up to \$12,700 at age 45 and above)

Source: Ministry of Finance, Annex D2

Table 2: Revised S Pass Minimum Qualifying Salaries

Sector(s)	Current Minimum Qualifying Salary	Revised Minimum Qualifying Salary
All sectors, except for Financial Services	\$3,300 (increases progressively with age from age 23, up to \$4,800 at age 45 and above)	\$3,600 (increases progressively with age from age 23, up to \$5,100 at age 45 and above)
Financial Services sector	\$3,800 (increases progressively with age from age 23, up to \$5,650 at age 45 and above)	\$4,000 (increases progressively with age from age 23, up to \$5,650 at age 45 and above)

Note:

- The current S Pass minimum qualifying salary of \$3,300 for all sectors except Financial Services, and \$3,800 for Financial Services, applies for new applications submitted from 1 September 2025, and for renewals of passes expiring from 1 September 2026. For renewals of passes expiring between 1 September 2025 and 31 August 2026, the minimum qualifying salary is \$3,150 for all sectors except Financial Services, and \$3,650 for Financial Services.

Source: Ministry of Finance, Annex D2

Table 3: Current and New Monthly FWL Rates for the Marine Shipyard and Process Sectors
(changes indicated in red)

Sector	Nationality	Current Monthly FWL Rate		New Monthly FWL Rate	
		Higher-Skilled ("R1")	Basic-Skilled ("R2")	Higher-Skilled ("R1")	Basic-Skilled ("R2")
Marine Shipyard	-	\$350	\$500	\$350	\$600
Process	Malaysia, North Asian Sources, PRC	\$200	\$450	\$200	\$600
	Non-Traditional Sources	\$300	\$650	\$300	\$800

Notes:

- North Asian Sources refer to Hong Kong, Macau, South Korea, and Taiwan.
- Non-Traditional Sources refer to Bangladesh, Bhutan, Cambodia, India, Laos, Myanmar, the Philippines, Sri Lanka, and Thailand.

Source: Ministry of Finance, Annex D2

Table 4: Current and New Monthly FWL Rates for the Services and Manufacturing Sectors
(changes indicated in red)

Sector	Dependency Ratio Utilisation	Current Monthly FWL Rate		New Monthly FWL Rate	
		Higher-Skilled ("R1")	Basic-Skilled ("R2")	Higher-Skilled ("R1")	Basic-Skilled ("R2")
Services	Tier 1: Up to 10% of the total workforce	\$300	\$450	\$400	\$600
	Tier 2: Above 10% to 25% of the total workforce	\$400	\$600		
	Tier 3: Above 25% to 35% of the total workforce	\$600	\$800	\$600	\$800
Manufacturing	Tier 1: Up to 25% of the total workforce	\$250	\$370	\$300	\$470
	Tier 2: Above 25% to 50% of the total workforce	\$350	\$470		
	Tier 3: Above 50% to 60% of the total workforce	\$550	\$650	\$550	\$650

Source: Ministry of Finance, Annex D2

Table 1: Enhanced Subsidies for Full-day Childcare

Working status	Current		Revised		Basic Subsidy	Additional Subsidy (AS)	
	HHI	PCI	HHI	PCI		Maximum AS	Minimum Co-pay
Working applicant	\$3,000 and below	\$750 and below	\$3,500 and below	\$750 and below	\$300	\$467	\$3
	\$3,001 to \$4,500	\$751 to \$1,125	\$3,501 to \$5,500	\$751 to \$1,200	\$300	\$440	\$25
	\$4,501 to \$6,000	\$1,126 to \$1,500	\$5,501 to \$7,500	\$1,201 to \$1,700	\$300	\$340	\$58
	\$6,001 to \$7,500	\$1,501 to \$1,875	\$7,501 to \$9,000	\$1,701 to \$2,100	\$300	\$260	\$104
	\$7,501 to \$9,000	\$1,876 to \$2,250	\$9,001 to \$11,000	\$2,101 to \$2,600	\$300	\$190	\$162
	\$9,001 to \$10,500	\$2,251 to \$2,625	\$11,001 to \$13,000	\$2,601 to \$3,000	\$300	\$130	\$232
	\$10,501 to \$12,000	\$2,626 to \$3,000	\$13,001 to \$15,000	\$3,001 to \$3,400	\$300	\$80	\$315
	Above \$12,000	Above \$3,000	Above \$15,000	Above \$3,400	\$300	N/A	N/A
Non-working applicant					\$150	N/A	N/A

Table 2: Enhanced Subsidies for Half-day Childcare

Working status	Current		Revised		Basic Subsidy	Additional Subsidy (AS)	
	HHI	PCI	HHI	PCI		Maximum AS	Minimum Co-pay
Working applicant	\$3,000 and below	\$750 and below	\$3,500 and below	\$750 and below	\$150	\$235	\$2
	\$3,001 to \$4,500	\$751 to \$1,125	\$3,501 to \$5,500	\$751 to \$1,200	\$150	\$220	\$15
	\$4,501 to \$6,000	\$1,126 to \$1,500	\$5,501 to \$7,500	\$1,201 to \$1,700	\$150	\$170	\$43
	\$6,001 to \$7,500	\$1,501 to \$1,875	\$7,501 to \$9,000	\$1,701 to \$2,100	\$150	\$130	\$72
	\$7,501 to \$9,000	\$1,876 to \$2,250	\$9,001 to \$11,000	\$2,101 to \$2,600	\$150	\$95	\$103
	\$9,001 to \$10,500	\$2,251 to \$2,625	\$11,001 to \$13,000	\$2,601 to \$3,000	\$150	\$65	\$136
	\$10,501 to \$12,000	\$2,626 to \$3,000	\$13,001 to \$15,000	\$3,001 to \$3,400	\$150	\$40	\$170
	Above \$12,000	Above \$3,000	Above \$15,000	Above \$3,400	\$150	N/A	N/A
Non-working applicant					\$150	N/A	N/A

Source: Ministry of Finance, Annex E2

Table 3: Enhanced Subsidies for Full-day Infant Care

Working status	Current		Revised		Basic Subsidy	Additional Subsidy (AS)	
	HHI	PCI	HHI	PCI		Maximum AS	Minimum Co-pay
Working applicant	\$3,000 and below	\$750 and below	\$3,500 and below	\$750 and below	\$600	\$710	\$40
	\$3,001 to \$4,500	\$751 to \$1,125	\$3,501 to \$5,500	\$751 to \$1,200	\$600	\$640	\$110
	\$4,501 to \$6,000	\$1,126 to \$1,500	\$5,501 to \$7,500	\$1,201 to \$1,700	\$600	\$500	\$250
	\$6,001 to \$7,500	\$1,501 to \$1,875	\$7,501 to \$9,000	\$1,701 to \$2,100	\$600	\$380	\$360
	\$7,501 to \$9,000	\$1,876 to \$2,250	\$9,001 to \$11,000	\$2,101 to \$2,600	\$600	\$240	\$500
	\$9,001 to \$10,500	\$2,251 to \$2,625	\$11,001 to \$13,000	\$2,601 to \$3,000	\$600	\$100	\$640
	\$10,501 to \$12,000	\$2,626 to \$3,000	\$13,001 to \$15,000	\$3,001 to \$3,400	\$600	\$40	\$700
	Above \$12,000	Above \$3,000	Above \$15,000	Above \$3,400	\$600	N/A	N/A
Non-working applicant					\$150	N/A	N/A

Table 4: Enhanced Subsidies for Half-day Infant Care

Working status	Current		Revised		Basic Subsidy	Additional Subsidy (AS)	
	HHI	PCI	HHI	PCI		Maximum AS	Minimum Co-pay
Working applicant	\$3,000 and below	\$750 and below	\$3,500 and below	\$750 and below	\$300	\$355	\$20
	\$3,001 to \$4,500	\$751 to \$1,125	\$3,501 to \$5,500	\$751 to \$1,200	\$300	\$320	\$60
	\$4,501 to \$6,000	\$1,126 to \$1,500	\$5,501 to \$7,500	\$1,201 to \$1,700	\$300	\$250	\$130
	\$6,001 to \$7,500	\$1,501 to \$1,875	\$7,501 to \$9,000	\$1,701 to \$2,100	\$300	\$190	\$185
	\$7,501 to \$9,000	\$1,876 to \$2,250	\$9,001 to \$11,000	\$2,101 to \$2,600	\$300	\$120	\$255
	\$9,001 to \$10,500	\$2,251 to \$2,625	\$11,001 to \$13,000	\$2,601 to \$3,000	\$300	\$50	\$325
	\$10,501 to \$12,000	\$2,626 to \$3,000	\$13,001 to \$15,000	\$3,001 to \$3,400	\$300	\$20	\$355
	Above \$12,000	Above \$3,000	Above \$15,000	Above \$3,400	\$300	N/A	N/A
Non-working applicant					\$150	N/A	N/A

Source: Ministry of Finance, Annex E2

Table 5: Enhanced Subsidies for Kindergarten

Current		Revised		KiFAS	
HHI	PCI	HHI	PCI	Maximum KiFAS	Minimum Co-pay
\$3,000 and below	\$750 and below	\$3,500 and below	\$750 and below	\$163	\$1
\$3,001 to \$4,500	\$751 to \$1,125	\$3,501 to \$5,500	\$751 to \$1,200	\$152	\$12
\$4,501 to \$6,000	\$1,126 to \$1,500	\$5,501 to \$7,500	\$1,201 to \$1,700	\$109	\$55
\$6,001 to \$7,500	\$1,501 to \$1,875	\$7,501 to \$9,000	\$1,701 to \$2,100	\$89	\$75
\$7,501 to \$9,000	\$1,876 to \$2,250	\$9,001 to \$11,000	\$2,101 to \$2,600	\$69	\$95
\$9,001 to \$10,500	\$2,251 to \$2,625	\$11,001 to \$13,000	\$2,601 to \$3,000	\$49	\$115
\$10,501 to \$12,000	\$2,626 to \$3,000	\$13,001 to \$15,000	\$3,001 to \$3,400	\$19	\$145

Table 6: Enhanced Subsidies for SCCs

Current		Revised		SCFA	
HHI	PCI	HHI	PCI	Subsidy for SCCs with fees < \$295	Subsidy for SCCs with fees ≥ \$295
\$1,500 and below	\$375 and below	\$2,000 and below	\$500 and below	98%	\$290
\$1,501 to \$2,000	\$376 to \$500	\$2,001 to \$2,500	\$501 to \$625	95%	\$280
\$2,001 to \$2,200	\$501 to \$550	\$2,501 to \$3,000	\$626 to \$750	90%	\$266
\$2,201 to \$2,400	\$551 to \$600	Removed		85%	\$251
\$2,401 to \$2,600	\$601 to \$650	\$3,001 to \$3,300	\$751 to \$825	80%	\$236
\$2,601 to \$2,800	\$651 to \$700	\$3,301 to \$3,600	\$826 to \$900	70%	\$207
\$2,801 to \$3,000	\$701 to \$750	\$3,601 to \$4,000	\$901 to \$1,000	60%	\$177
\$3,001 to \$3,200	\$751 to \$800	\$4,001 to \$4,400	\$1,001 to \$1,100	50%	\$148
\$3,201 to \$3,500	\$801 to \$875	\$4,401 to \$4,800	\$1,101 to \$1,200	40%	\$118
\$3,501 to \$4,000	\$876 to \$1,000	\$4,801 to \$5,200	\$1,201 to \$1,300	30%	\$89
\$4,001 to \$4,500	\$1,001 to \$1,125	\$5,201 to \$6,500	\$1,301 to \$13,625	20%	\$59

Source: Ministry of Finance, Annex E2

Table 1: Changes to the ComLink+ Progress Packages

Support Area	Current Packages	Enhanced Packages (From Q3 2026)
Partnership with family coaches and FSC case workers	Not Available	New: \$500 every quarter (\$200 cash and \$300 CPF) for families that continue working with their family coaches or FSC case worker
Preschool	<p>Child enrolled in preschool when they turn 3. One-off \$500 Child Development Account (CDA) top-up</p> <p>\$200 CDA top-up for every quarter of good attendance (i.e., at least 75% attendance)</p>	<p>Revised: \$250 (\$100 cash and \$150 CDA) for every quarter of good attendance (i.e., at least 75% attendance)</p> <p>New: \$150 (\$60 cash and \$90 CDA) for every quarter of attendance of at least 50% but less than 75%</p>

Source: Ministry of Finance, Annex E3

Support Area	Current Packages	Enhanced Packages (From Q3 2026)
Employment	<p>Each working adult receives \$450-\$550 every quarter (combination of cash and CPF) for maintaining employment with gross monthly salary of at least \$1,600 (based on CPF records).</p> <p>Maximum of two adults per household can qualify. If both adults are working, each receives an additional \$50 per quarter.</p>	<p>Revised: \$1,250 every quarter (\$500 cash and \$750 CPF) for each household with total household income of at least \$2,000 per month (based on CPF records)</p> <p>Revised: \$500 every quarter (\$200 cash and \$300 CPF) for each household with total household income of at least \$1,000 to less than \$2,000 per month (based on CPF records)</p>
Debt clearance	1:1 matched debt repayment (i.e., for every \$1 that family repays debt/s owed to licensed companies, donors will pay \$1 directly to creditors).	No change
Saving for home ownership	2:1 matched CPF contribution (i.e., for every \$1 of voluntary CPF contribution that a family member makes to their CPF accounts, a \$2 top-up will be made to the same member's/members' CPF Ordinary Accounts).	No change
Payout Cap	\$30,000 payout cap across employment and home ownership packages	Revised: \$50,000 payout cap across all packages

Source: Ministry of Finance, Annex E3

Table 1: Current and Target CPF Contribution Rates (Employer + Employee) by Age Bands

Age Band	2016–2021	Current CPF Contribution Rates (As of 1 January 2026)	Target Contribution Rates by ~2030
55 and below	37.0%	No change	
Above 55 to 60	26.0%	34.0%	37.0%
Above 60 to 65	16.5%	25.0%	26.0%
Above 65 to 70	12.5%	16.5%	16.5%
Above 70	12.5%	No change	

Notes:

- The timeline is subject to change, depending on prevailing economic conditions.
- The CPF contribution rates are stated as a percentage of wages above \$750 per month.

Table 2: CPF Contribution Rates for Workers from 1 January 2027

Age Band	CPF Contribution Rates from 1 January 2027			CPF Transition Offset for 2027
	Total	Employer	Employee	
55 and below	37.0% (No change)			N.A.
Above 55 to 60	35.5% (+1.5%-pt)	16.5% (+0.5%-pt)	19.0% (+1%-pt)	0.25%-pt
Above 60 to 65	26.0% (+1.0%-pt)	13.0% (+0.5%-pt)	13.0% (+0.5%-pt)	0.25%-pt
Above 65 to 70	16.5% (No change)			N.A.
Above 70	12.5% (No change)			N.A.

Notes:

- The CPF contribution rates are stated as a percentage of wages above \$750 per month.
- The percentage point figures in parentheses refer to the increase in CPF contribution rates from 1 January 2027, compared to current rates as of 1 January 2026.

Source: Ministry of Finance, Annex E4

Table 1: Quanta of the B2026 CPF Top-Up

CPF retirement savings ^a	Singaporeans born in 1976 or earlier	
	Own not more than one property	
	AV not more than \$21,000	AV more than \$21,000 but not exceeding \$31,000
Less than \$60,000	\$1,500	\$500
At least \$60,000 but less than \$110,200 (2026 BRS)	\$1,000	

Note:

- a. CPF retirement savings will be based on the sum of the CPF Retirement Account ("RA") and CPF LIFE balances, or the sum of Ordinary Account and Special Account ("SA") balances if RA has not yet been created.

Source: Ministry of Finance, Annex E5

Table 1: B2026 COL Special Payment

Singaporeans Aged 21 Years and Above in 2026 Who Own No More Than One Property	AV of Place of Residence		
	AV up to \$15,000	AV more than \$15,000 and up to \$31,000	AV more than \$31,000
AI up to \$22,000	\$400	\$300	\$200
AI more than \$22,000 and up to \$39,000	\$300	\$300	\$200
AI more than \$39,000 and up to \$100,000	\$200	\$200	\$200

Note:

- a. AI will be based on Year of Assessment ("YA") 2025, i.e., income earned in 2024.

Source: Ministry of Finance, Annex E6

Table 1: Disbursement of U-Save in FY 2026

HDB Flat Type and Disbursement Month		1- and 2-room	3-room	4-room	5-room	Executive / Multi-generation
April 2026	GSTV – U-Save	\$95	\$85	\$75	\$65	\$55
	B2026 U-Save	\$95	\$85	\$75	\$65	\$55
July 2026	GSTV – U-Save	\$95	\$85	\$75	\$65	\$55
	B2026 U-Save	\$95	\$85	\$75	\$65	\$55
October 2026	GSTV – U-Save	\$95	\$85	\$75	\$65	\$55
January 2027	GSTV – U-Save	\$95	\$85	\$75	\$65	\$55
Total		\$570	\$510	\$450	\$390	\$330

Notes:

- If the flat is partially rented out or not rented out, there must be at least one Singaporean owner or occupier in the household to be eligible for U-Save. If the entire HDB flat is rented out, there must be at least one Singaporean tenant.
- Households whose members own more than one property are not eligible for U-Save.

Source: Ministry of Finance, Annex E7

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