Complete Corporate Services Pte Ltd

NAVIGATING COVID-19 LANDSCAPES

In view of the escalating spread of the COVID-19 pandemic and the impact on the Singapore and global economy, the Singapore Government has decided to act swiftly by announcing the Supplementary Budget 2020 (also known as the Resilience Budget) in less than 6 weeks after the Singapore Budget 2020 announcement. Additional measures were introduced with enhancement made to some of the support rolled out previously. This could not be timelier and can definitely put Singapore businesses in a better position to sustain their operations, overcome the challenges and strengthen themselves for the recovery once the storm is over.

SUPPLEMENTARY BUDGET 2020

SUSTAIN. OVERCOME. STRENGTHEN.

SUSTAIN:

SAVE JOBS & SUPPORT WORKERS

1. Wage Credit Scheme

- Disbursement to be brought forward to end-June 2020

2. Jobs Support Scheme (JSS)

(Refer to JSS under 'Overcome: Supporting Businesses')

OVERCOME:

SUPPORTING BUSINESSES

CASHFLOW

1. Deferment of Corporate Income Tax (CIT) Payments

- Automatic 3-month deferment of CIT payments due in April, May and June 2020, to July, August and September 2020 respectively

COST

2. Enhanced Property Tax Rebate (PTR)

- 100% PTR for qualifying commercial properties
- 60% PTR for integrated resorts
- 30% PTR for other non-residential properties e.g. offices and industrial properties

3. Jobs Support Scheme (JSS)

- 25% cash grant for the first $4,600 of gross monthly wages of each local employee for 9 months till end of 2020
- Higher support of up to 75% cash grant for severely affected sectors

4. Enhanced Rental Waivers

- 2 months rental waiver for eligible commercial and other non-residential tenants located in Government-owned or managed non-residential facilities
- Half a month rental waiver for other non-residential tenants of Government agencies such as JTC, SLA, HDB, URA and BCA

5. Enhanced Grants Schemes

- Enterprise Development Grant (EDG) maximum support level raised to 80%, or 90% for companies most severely impacted by COVID-19 (case-by-case basis)
- Productivity Solutions Grant (PSG) maximum support level raised to 80%, with scope widened to cover technology solutions for safe distancing and business continuity measures
- Advanced Digital Solutions scheme provides up to 80% funding support for adopting technology to strengthen business continuity measures

6. Sector-specific support

Maritime Sector

- Maritime and Port Authority (MPA) extends 50% port dues concession for passenger vessels till 31 December 2020
- Additional 35% rebates on counter rental and overnight berthing at Tanah Merah Ferry Terminal for three months from March 2020 – this is on top of the 15% rebate from Singapore Cruise Centre Pte Ltd (SCCPL) for the period
- 100% waiver of public licence fees for SCCPL and SATS-Creuers Cruise Services Pte Ltd for one year

Tourism Sector

- Enhanced 75% cash grant for the first S$4,600 of gross monthly wages of each local employee, under JSS
- 100% property tax rebate for year 2020
- Training grants of up to 90% for course fees and trainer fees extended till 31 December 2020.
- Various tourism grants' maximum support levels increased by 10%

Food Services Sector

- Enhanced 50% cash grant for the first S$4,600 of gross monthly wages of each local employee, under JSS

CREDIT

7. Enhanced Financing Support

- Enterprise Financing Scheme – SME Working Capital Loan (EFS-WCL) loan quantum increased to S$1 million, with Government risk-share of 80% and 1-year principal repayment deferment
- Enterprise Financing Scheme – Trade Loan (EFS-TL) loan quantum increased to S$10 million, with Government risk-share of 80%
- Loan Insurance Scheme (LIS) - Government subsidy on loan insurance premium raised to 80%
- Expanded Temporary Bridging Loan Program (TBLP) to all sectors with loan quantum increased to S$5 million and 1-year principal repayment deferment

STRENGTHEN:

ECONOMIC RESILIENCE

1. Grants Schemes to transform and automate

(Refer to Enhanced Grants Scheme' under 'Overcome: Supporting Businesses')

CHARTING THE WAY FORWARD

While the current crisis is unparalleled and unprecedented moves have to be taken to deal with the global pandemic, each crisis also presents an opportunity for businesses. With the push in the recent years by the Government for Singapore to be a smart nation, the current downturn may be a good time for businesses to rethink their current strategies and mode of operations to be in a position to avail themselves of all the measures and enhancements announced. Therefore, times like this may well be the catalyst for businesses to start evolving.

FURTHER ADVICE

If you need help to understand how the various measures introduced in the Unity and Resilience Budgets can help your businesses, please reach out to us for further discussions.

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