

# COVID-19 FINANCIAL SUPPORT UPDATES

## Financial Support for Companies

### Deferment of Corporate Income Tax (CIT) Payments, Interest Free Instalments & Rebate

- All companies with CIT payments due in the months of April, May, and June 2020 will be granted an automatic three-month deferment of these payments. These payments will instead be collected in July, August, and September 2020 respectively.
- This is in addition to the announcements in February's budget that companies using GIRO CIT payments and who filed their Estimated Chargeable Income (ECI) on time will automatically qualify for an additional two months of interest-free instalment, and the rebate at a rate of 25% of tax payable for the year of assessment (YA) 2020 (capped at S\$15,000). For more information refer to IRAS <http://www.iras.gov.sg>.

### Enhanced Property Tax Rebate for Non-Residential Properties

- Non-residential properties will be granted an enhanced rebate for Property Tax payable for the period 1 January 2020 - 31 December 2020. [Refer to the table for details based on property type](#). For more information refer to IRAS <http://www.iras.gov.sg>.

### Rent Waivers for Tenants in Government-Owned/Managed Non-Residential Properties

- Commercial tenants who qualified for the rental waiver announced in February's Budget will receive two months' worth of rental waiver in total. Eligible tenants/lessees may include those providing commercial accommodation, retail, F&B, recreation, entertainment, healthcare, and other services.
- Stallholders of hawker centres and markets will receive three months' worth of rental waiver with a minimum waiver of \$200 per month.
- Government agencies such as JTC, SLA, HDB, URA, BCA, NParks, and PA will provide half a month's worth of rental waiver to eligible tenants of other non-residential premises who do not pay Property Tax. Eligible tenants/lessees may include those in premises used for industrial or agricultural purpose, or as an office, a business or science park, or a petrol station.

- Main tenants are strongly urged to pass on these rental waivers to their sub-tenants.

## Defer Payment of Principal on Secured SME Loans

- SMEs may opt to defer principal payments on their secured term loans up to 31 December 2020, subject to banks' and finance companies' assessment of the quality of the SMEs' security. SMEs will also be able to extend the tenure of their loans by up to the corresponding principal deferment period if they wish. This relief will be available to SMEs that continue to pay interest and are in good standing with their banks and finance companies (not more than 90 days past due as of 6 April 2020).
- It is estimated that more than S\$40billion of existing facilities to SMEs will likely qualify for this opt-in relief scheme. Besides secured term loans, banks and finance companies also stand ready to work with SME customers to adjust their loan repayment schedules for other types of loan facilities.

## Assistance with Insurance Premium Payment

- Corporates, including SMEs, holding general insurance policies that protect their business and property risks may apply to their insurer for instalment payment plans. General insurance companies stand ready to work with their corporate customers so they can pay their premiums in smaller amounts and enjoy coverage for the paid-up period, instead of paying a lump sum premium for the entire policy period at the start.

## SME Working Capital Loan

- For Singapore-based small and medium enterprises (SMEs) in all industries to access financing for their operational cash flow needs.
- Your business must:
  - be registered and operating in Singapore with at least 30% local shareholdings, and
  - have annual group sales below S\$100 million or a group employment size of fewer than 200
- The scheme is extended up to 31 March 2021. The maximum loan quantum was raised from \$300,000 to \$1 million. Risk-share was also increased to 80% (from 50% and 70% for young companies). Enterprises under the Enhanced EFS-WCL may apply for up to 1-year deferral of principal repayment to help manage their debt, subject to assessment by the PFIs.
- For more information refer to <http://www.enterprisesg.gov.sg>.

## Enterprise Financing Scheme – Trade Loan

- Formerly known as the Loan Insurance Scheme Plus.
- Supports Singapore-based enterprises' trade financing needs, which include the financing of short-term import, export, and guarantee needs.
- Your business must:
  - Be registered and operating in Singapore

- Have a minimum of 30% local shareholding
- Maximum Borrower Group revenue cap of S\$500 million for all enterprises (Borrower Group consists of the borrower as well as corporate shareholders that hold more than 50% of the total shareholding of the applicant company, and any subsequent corporate parents (all levels up) and subsidiaries all levels down. (Annual sales turnover and employment size are computed on a group basis)).
- The scheme is extended up to 31 March 2021. The maximum loan quantum was raised from S\$5 million to S\$10 million. The risk-share was also increased to 80% (from 50% and 70% for young companies).
- For more information refer to <http://www.enterprisesg.gov.sg>.

## Loan Insurance Scheme

- Helps SMEs secure short-term trade loans by having commercial insurers co-share loan default with Participating Financial Institutions. A portion of the insurance premium paid by SMEs to insurers is supported by the Government.
- Enterprises can apply for the LIS to secure short-term trade financing for the purpose of:
  - Inventory/ stock financing facility
  - Structured pre-delivery working capital
  - Factoring/ bill or invoice or accounts receivable discounting with recourse
  - Overseas Working Capital Loan
  - Banker's Guarantee
- Your business must:
  - Be a business entity that is registered and physically present in Singapore, and
  - At least 30% local equity held directly or indirectly by Singaporean(s) and/or Singapore PR(s), determined by the ultimate individual ownership, and
  - Group revenue of up to S\$100 million or maximum employment of 200 employees.
- The Government will increase support for the LIS insurance premium, from 50% to 80% for one year, from 1 April 2020 to 31 March 2021, to help SMEs across all industries manage their trade financing costs.
- For more information refer to <http://www.enterprisesg.gov.sg>.

## Temporary Bridging Loan Programme

- Initially launched to provide one-year support for the tourism sector, this is expanded to all sectors from April 2020. The maximum loan quantum will also be increased to \$5 million.
- Eligible enterprises may apply for the TBLP from 1 April 2020 to 31 March 2021.
- Your business must:
  - Be a business entity that is registered and physically present in Singapore
  - At least 30% local equity held directly or indirectly by Singaporean(s) and/or Singapore PR(s), determined by the ultimate individual ownership
- For more information refer to <http://www.enterprisesg.gov.sg>.

## Aviation Sector

- Jobs Support Scheme to help companies whose activities are based principally at Changi Airport to retain their local workers. Airlines, ground handling companies, and the airport operator will receive grants covering 75% of the gross monthly wages of each Singapore Citizen/Permanent Resident employee, subject to a monthly wage cap of \$4,600.
- Enhanced Aviation Support Package:
  - Cost relief for airlines:
    - 10% landing charge rebate for all scheduled passenger flights landing in Singapore between 1 April – 31 October 2020. Flights from mainland China to Singapore will continue to get 100% rebate on landing charges up to 31 July 2020 as announced and receive 10% rebate from 1 August 2020 to 31 October 2020. Flights from Southeast Asian destinations will receive a 10% landing rebate as announced and will continue to receive a 10% rebate beyond 31 July 2020 to 31 October 2020.
    - 100% rebate on parking charges at Changi Airport within 1 April – 31 October 2020;
    - The planned 1% annual increase in Landing, Parking, and Aerobridge (LPA) charges for all flights is extended to 31 March 2021.
  - Cost relief for ground handlers:
    - Rebates on rental paid for ground handling companies' lounges and offices within Changi Airport terminal buildings.
  - Cost relief for the cargo sector:
    - 10% landing charge rebate for all scheduled freighter flights between 1 August 2020 and 31 October 2020;
    - Total of 20% rental rebates for cargo agents tenanted in Changi Airfreight Centre between 1 April 2020 and 31 October 2020;
    - The planned 1% annual increase in Landing, Parking, and Aerobridge (LPA) charges for all freighter flights is extended to 31 March 2021.
  - For more information refer to Changi Airport Group and the Civil Aviation Authority of Singapore.
  - The Government will provide funding support to Singapore carriers to maintain a minimum level of air connectivity. This will allow Singaporeans to return to Singapore and for the transportation of goods to keep our supply chains open during the COVID19 pandemic. The level of connectivity will be adjusted based on needs.
- Defer payment of applicable fees due to CAAS between 1 April 2020 and 31 March 2021 by up to one year.

## Tourism Sector

- Jobs Support Scheme to cover 75% of gross monthly wages, per Singapore Citizen/Permanent Resident employee, up to a monthly wage cap of \$4,600 for qualifying licensed hotels, qualifying licensed travel agents, qualifying gated tourist

attractions, cruise lines and cruise terminal operators, and purpose-built MICE venue operators.

- Enhanced Property Tax Rebate for Non-Residential Properties: up to 100% for qualifying commercial properties including hotels, serviced apartments, tourist attractions, prescribed MICE venues, and international cruise and regional ferry terminals.
- The Training Industry Professionals in Tourism grant supports tourism companies in employee upgrading and talent and leadership development. Maximum support levels are now 90% for course fees and trainer fees, for courses that commence between 1 March 2020 and 31 December 2020.
- The maximum support level for qualifying costs will be increased by 10% for the following grants:
  - Business Improvement Fund (BIF)
  - Local Enterprise and Association Development Programme (LEAD)
  - Business Events in Singapore (BEiS)
  - Leisure Events Fund (LEF)
  - Kickstart Fund (KF)
  - Experience Step-Up Fund (ESF)
  - Cruise Development Fund (CDF)
- For more information refer to <http://www.stb.gov.sg>.

## Land Transport Sector

- The Government will set aside \$95 million to extend and enhance the Point-to-Point Support Package (PPSP) including the Special Relief Fund for taxi main hirers and eligible Private Hire Drivers from May – September 2020.
- Additional relief has been arranged for private bus owners.
- For more information refer to [www.lta.gov.sg](http://www.lta.gov.sg).

## Maritime Sector

- The MPA has extended the 50% port dues concession for passenger vessels until 31 December 2020. This will be on top of any existing concessions.
- Singapore Cruise Centre has given a 15% rebate to regional ferry operators to offset their rental fees for overnight berthing of vessels and counter rental at Tanah Merah Ferry Terminal for three months from March 2020. MPA will provide an additional 35% rebate to these operators.
- MPA will grant passenger terminal operators, namely SCCPL and SATS-Creuers Cruise Services, a 100% waiver of their public licence fees for one year.
- For more information refer to <https://www.mpa.gov.sg>.

## Arts & Culture Sector

- National Arts Council (NAC) to provide funding for major companies and leading arts groups to retain jobs in the arts and culture sector.
- The Capability Development Scheme for the Arts will support a wider group of arts and culture organisations and practitioners, including freelancers up to end 2020.

- The Ministry of Culture, Community and Youth (MCCY), NAC, and the National Heritage Board (NHB) will champion efforts to promote digitalisation of arts and culture content through a new fund. This will support arts and cultural institutions, organisations, and practitioners to present works digitally, offer new experiences for audiences, and create new economic opportunities.

## Enterprise Development Grant

- Supports enterprises in undertaking projects in three areas: Core Capabilities, Innovation and Productivity, and Market Access.
- From 1 April 2020 to 31 December 2020 the support level will be raised from up to 70% to up to 80%. For enterprises that are most severely impacted by COVID19, the maximum support level will be further raised to 90% on a case-by-case basis. Enhanced support will be granted to enterprises that plan to refresh their business models and find new opportunities.
- To qualify for the EDG, enterprises will need to fulfil the following criteria:
  - Be registered and operating in Singapore;
  - Have a minimum of 30% local shareholding; and
  - Be in a financially viable position to start and complete the project.
- In addition, to ensure that the benefits of enterprise transformation are passed on to workers, enterprises will need to commit to improving workers' outcomes (such as wage increment, job creation, job re-design, or training for existing staff) in order to qualify for the EDG with effect from 1 April 2020.
- Enterprises can apply for the EDG through the [Business Grants Portal](#).

## Productivity Solutions Grant (PSG)

- Provides support to enterprises in their transformation journey through funding support for the adoption of off-the-shelf productivity solutions and equipment that have been pre-approved by the Government.
- From 1 April 2020 to 31 December 2020 the maximum support level will be raised from 70% to 80%.
- Eligibility:
  - Must be registered and operating in Singapore
  - Purchase/lease/subscription of the IT solutions or equipment must be used in Singapore
  - Have a minimum of 30% local shareholding (for selected solutions only)
- Enterprises can apply for the PSG through the [Business Grants Portal](#).

## SMEs Go Digital

- From 1 April 2020 to 31 December 2020, the scope of pre-approved digital solutions under PSG will be expanded to help SMEs implement safe distancing and business continuity measures. PSG will cover:
  - Online collaboration tools;
  - Virtual meeting and telephony tools;
  - Queue management systems; and

- Temperature screening solutions.
- IMDA and Enterprise Singapore will provide up to 80% funding support for enterprises to adopt advanced digital solutions from 1 May 2020 to 31 December 2020. This will be done in collaboration with partners that can scale reach and implement digital solutions, both within the enterprise and across the industry. Funding support can cover costs for hardware and software, infrastructure, connectivity, cybersecurity, integration, development, enhancement, and project management. It can also cover costs of replacing or expanding legacy systems and existing infrastructures.
- For more information refer to <http://www.imda.gov.sg>.

## SkillsFuture Singapore Course Fee Subsidy and Absentee Payroll

- SSG will extend the enhanced course fee subsidy to the Land Transport and Arts and Culture sectors. These enhanced rates will apply for selected sector-specific training programmes offered by SSG-appointed training partners.
- SSG will also progressively extend enhanced absentee payroll rates to all sectors to provide support for more employers to upskill their workers.
- For more information refer to <http://www.ssg.gov.sg>.

## Financial Support for Individuals

### Deferment of Personal Income Tax (PIT) Payment for Self-Employed Persons (SEPS)

- All SEPs are to file their personal income tax (PIT) returns for YA2020 by 18 April 2020. SEPs will be granted an automatic three-month deferment of their PIT payments due in the months of May, June, and July 2020 and these will instead be collected in August, September, and October 2020 respectively. For more information refer to IRAS <http://www.iras.gov.sg>.

### Deferment of Personal Income Tax (PIT) for Employees

- Employees who need help with their income tax payments may approach IRAS for deferment of their tax payment. For more information refer to IRAS <http://www.iras.gov.sg>.

### Enhanced Care & Support Package

- All Singaporeans aged over 21 years will receive a [cash payout](#) of between \$300-\$900 dependent on their Assessable Income (AI) amount for 2019, to be paid August-September 2020. Parents with at least one Singaporean child who is aged 20 or under in 2020 will receive an additional \$300 for each parent.
- Additional support for low-income workers is available with Enhanced Workfare Special Payments.
- All Singaporeans aged 21 and above, who live in 1-room and 2-room HDB flats and do not own more than one property, will receive \$300 in [Grocery Vouchers](#) in 2020,

and \$100 in 2021 which can be used at participating supermarkets including NTUC FairPrice, Giant and Sheng Siong.

- All eligible HDB households will receive double their regular [GST Vouchers](#) from April 2020 – January 2021 and additional rebates to offset their [Service and Conservancy Charges](#) over the same period.

## Defer Repayment of Residential Property Loans

- Individuals with residential property loans may apply to their respective bank or finance company to defer either (i) principal payment or (ii) both principal and interest payments up to 31 December 2020.
- Interest will accrue only on the deferred principal amount; no interest will be charged on the deferred interest payments. Lenders will approve the request for deferment as long as the individual is not in arrears for more than 90 days as at 6 April 2020. Individuals do not need to demonstrate any impact from COVID-19 to obtain the deferment.

## Lower Interest on Personal Unsecured Credit

- Individuals with unsecured credit facilities from banks or other credit card issuers may apply to their respective lender to convert their outstanding balances to term loans at a reduced rate of interest, capped at 8% (compared to the 26% typically charged on credit cards). The term of the converted loan can be up to five years, depending on the individual's ability to meet the minimum monthly repayment.
- This option is available to all individuals who have suffered a loss of 25% or more of their monthly income after 1 February 2020 and are at risk of incurring substantial arrears. Individuals may apply to their lenders for conversion of their outstanding unsecured debt from 6 April till 31 December 2020.

## Defer Premium Payments for Life and Health Insurance

- Individuals with life and health insurance policies may apply to their insurer to defer premium payments for up to six months while maintaining insurance coverage during this period. Premium deferment is available for all individual life and health insurance policies with a policy renewal or premium due date between 1 April and 30 September 2020. This measure supplements existing premium relief options available to policyholders, such as taking up a premium loan against the policy cash value or converting to a paid-up policy by reducing the sum assured.

## Flexible Instalment Plans for General Insurance

- Individuals holding general insurance policies, such as for property and vehicles, may apply to their general insurance company for instalment payment plans while maintaining insurance protection. By working with their insurance company on an appropriate instalment plan, policyholders can pay their premiums in smaller amounts and enjoy coverage for the paid-up period, instead of paying a lump sum



premium for the entire policy period at the start.

## Emergency Relief Funds

- **During April 2020: Temporary Relief Fund** (\$500 cash) as one-off support to lower- and middle-income who lost their jobs or a substantial proportion of income due to the economic impact of COVID-19. Applicable to Singaporeans and PRs who:
  - Have lost their jobs or faced a personal income loss of at least 30% due to COVID-19;
  - Have a household income of ≤\$10,000, or per capita household income of ≤\$3,100, before their employment or income was affected; and
  - Are not currently receiving ComCare assistance

For more information visit <http://www.msf.gov.sg>.

- **From May 2020 - September 2020: COVID-19 Support Grant** (monthly cash grant of \$800, for 3 months). Applicable to Singaporeans and PRs who are:
  - Aged 16 years and above;
  - Presently unemployed due to retrenchment or contract termination as a result of the economic impact of COVID-19.

They should:

- Have had a household income of ≤\$10,000, or per capita household income of ≤\$3,100, prior to unemployment;
- Live in a property with annual value of ≤\$21,000; and
- Are not currently receiving ComCare assistance

Recipients of the support grant must:

- Have been employed as a full-time or part-time permanent or contract staff prior to unemployment; and
- Agree to actively participate in job search or attend a training programme under Workforce Singapore or the Employment and Employability Institute.

For more information visit <http://www.msf.gov.sg>.

- **Self-employed Person Income Relief Scheme** from MOM & NTUC (\$1,000 per month, for 9 months). Details not yet released by MOM.