



Singapore Budget 2025

Act now, progress together

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PwC's response to Singapore Budget 2025 on 18 February

For immediate release - Singapore, 18 Feb 2025 – The following comments are responses from PwC Singapore on the Singapore Budget 2025:

"We are glad that the government has heard the clarion call of businesses to help them with business costs and has provided a 50% corporate income tax rebate at the same quantum as last year. Companies should make the most of the corporate income tax rebate to make further investments to enhancing their competitiveness, for example, by tapping into the new Enterprise

Compute Initiative."

-Tan Tay Lek (Mr), Tax Partner, PwC Singapore (XXX, XXXXXXXXXXXXXXXXX)

"The extension of the 50% corporate income tax rebate and a minimum cash payout for businesses which employ Singaporeans acknowledge the diverse challenges faced by companies given the uncertain environment and could all benefit from the short-term support. This will be especially welcomed by Singapore SMEs pressured by rising business costs as they pivot towards mid-term productivity measures and new opportunities."

- Kexin Lim (Ms), Partner specialising in Tax and Entrepreneurial and Private Business, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX)

"Countries like Singapore need to ensure they remain competitive in attracting foreign investments and at the same time conform to the rules of the global consensus on minimum taxation. It is interesting that the government will top up the National Productivity Fund by \$3 billion as this may indicate that Singapore is prepared to provide higher levels of benefit to encourage high-value investments. One such scheme is the new Refundable Investment Credit where companies undertaking specified activities may get a tax credit of between 10% to 50% of qualifying costs. We hope that the level of support may be increased with the new funding."

- Falgun Thakkar (Mr), Transfer Pricing Leader, PwC Singapore (XXXXXXXXXXXXXXXXXXXXXX)

"The new Global Founder Programme (GFP), together with the extension of support schemes for internationalisation and mergers and acquisitions, should enhance Singapore's value proposition to, experienced entrepreneurs with enhanced access to innovative ideas and expertise, as well as access to global networks that will further, reinforce Singapore's status as a global business hub."

- Emily Wu (Ms), Partner specialising in Corporate Tax, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXX)

"EDB's establishment of a dedicated Global Founders Programme to further build on current efforts, is recognition of the potential amplifier effect these inbound leaders can have on the Singapore economy. With their depth of experience, global networks and interest in Singapore, these founders will be welcomed as sponsors, mentors and catalysts in diverse areas ranging from venture, R&D to internationalisation. Synergies from such partnerships could be a win-win, especially for our local enterprises, to further boost Singapore's unique value proposition of a cohesive business compact."

- Kexin Lim (Ms), Partner specialising in Tax and Entrepreneurial and Private Business, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXX)

"The budget's focus on and new investment measures in innovation and technology will continue to drive M&A and financing activity in the hi-tech, advanced manufacturing and med-tech sectors in Singapore. In addition, the announced support to Singapore enterprises to drive their internationalisation and M&A will fuel outbound acquisition activity."

- Girish Sahajwalla (Mr), Southeast Asia Corporate Finance Leader, PwC Singapore (XXXXXXXXXXXXXXXXXXXXXXXXX)

"For SMEs, scaling up through acquisition opportunities and subsequent integration with their existing operations will be critical to accelerating their ability to compete on the global stage. Given their relative lack of familiarity with deals, we hope the extended Internationalisation and Merger & Acquisitions schemes can be expanded to include support for suitable target identification and post-deal integration matters for our SMEs to maximise value-creation from this process."

- Kexin Lim (Ms), Partner specialising in Tax and Entrepreneurial and Private

- Jimmy Seet (Mr), Capital Markets Partner, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXX)

"Patient capital is a much-needed lifeline for start-ups to explore and grow. The introduction of the new \$1 billion Private Credit Growth Fund is a welcome move to allow aspiring and high-growth local enterprises that are cash strapped to forge ahead with crucial funding. We hope that the fund will be designed to provide a full suite of financing options so that better support can be provided to cater to specific needs of enterprises at different stages of development."

- Lennon Lee (Mr), Tax Leader, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXX)

PM Lawrence Wong has announced a budget for the future and one in which "no-one is left behind". This budget supports significant investment in AI development and innovation programmes to ensure our economy is resilient and future-ready. At the same time, it is a budget that is supporting our communities and businesses with today's real world challenges through cash vouchers, tax rebates and a range of other targeted incentives and concessions.

- Greg Unsworth, Digital Business and Risk Services Leader, PwC Singapore (XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX)

"The government's commitment of \$150 million towards enterprise AI adoption is a timely and strategic move. As AI becomes a critical driver of business innovation, this initiative will empower enterprises—especially SMEs—to access the necessary compute power, AI tools, and expert guidance to stay competitive. By partnering with major cloud providers, Singapore is ensuring that businesses can harness AI effectively, not just as a tool, but as a transformative force for growth and efficiency."

**- Luke Soon (Mr), Digital Assets Leader, PwC Singapore (XXX,
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“For enterprises to thrive in today’s digital economy, investing in AI-powered analytics and digital tools is no longer optional—it’s essential. - Through initiatives like the Productivity Solutions Grant and SMEs Go Digital, the Government will continue to support businesses in adopting these technologies. As enterprises scale, AI will play a critical role in optimising business processes and driving sustainable growth.”

**- Luke Soon (Mr), Digital Assets Leader, PwC Singapore (XXX,
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“AI has evolved at an unprecedented pace—just a few years ago, ChatGPT didn’t exist, and today, AI models can generate high-quality content, write code, and even drive research breakthroughs. As AI continues to advance and new disruptive technologies emerge, their impact on industries will be profound and unpredictable. To ensure Singaporeans remain competitive and future-ready, the government is making significant investments in lifelong learning, with SkillsFuture as a key pillar of our social compact.”

**- Luke Soon (Mr), Digital Assets Leader, PwC Singapore (XXX,
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“The Singapore government's proactive and comprehensive approach to cultivating an AI-ready ecosystem is commendable. Significant investments in infrastructure underscore a strategic commitment to supporting a sustainable and forward-looking AI ecosystem in Singapore. Prioritising job redesign and upskilling, together with initiatives to accelerate AI integration for businesses, will help Singaporeans and businesses remain competitive.”

**- Jie Hong Liao (Mr), Partner specialising in Digital Tax, PwC Singapore (XXX,
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"The top up of SGD 5bn to the Future Fund ensures that Singapore continues to be the leader and pathfinder in the journey towards a clean energy future, including immediate solutions like low-carbon electricity import as well as studying the potential to deploy technologies like SMR. The Future Fund is pivotal to ensure that Singapore progresses in the deployment of critical infrastructure required for the decarbonisation of the power generation sector, with increasing power needs."

- Jennifer Tay (Ms), Asia Pacific Infrastructure Leader, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXX)

"Prime Minister Lawrence Wong has spoken plainly about the real and present danger of physical climate risks such as sea level rise for our island state. If mitigation efforts are not forthcoming, the physical risks are likely to accentuate as time passes. The S\$ 5 billion to be added to the Coastal and Flood Protection Flood is commensurate with the physical risks that Singapore could face and will strengthen our climate resilience and adaptation.

To decarbonise in a material way, targeting the transportation sector which is key contributor to Singapore's emissions, makes sense. In addition to that, nurturing a citizenry of sustainability through the extension of climate vouchers will help support lower-carbon norms in our households."

- Fang Eu-Lin (Ms), Sustainability and Climate Change Practice Leader, PwC Singapore (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXX)

"Budget 2025 is a very generous 60th birthday gift to the people, the businesses, and the community, while also serving as a blueprint for a resilient, inclusive, and globally competitive society."

**- Bing Keong Kor (Mr), GST Leader, PwC Singapore (XXX,
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"The various measures to alleviate cost of living issues will not only benefit the people but will also provide a boost to the retail industry, especially the small- and medium-sized retailers."

**- Bing Keong Kor (Mr), GST Leader, PwC Singapore (XXX,
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"With the post-Covid travel rebound, Singapore continues to invest in air connectivity via the \$5 billion top-up to the Changi development fund. Moves like this help Singapore stay competitive as a regional aviation hub and is critical to Singapore's status as a global city. This classic blended financing structure will provide a level of confidence and support to help lower Changi Airport Group's borrowing cost."

**- Jennifer Tay (Ms), Asia Pacific Infrastructure Leader, PwC Singapore (XXX,
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"It is heartening to learn that the government is providing more help to people with disabilities, from financial support through an increase in subsidy rates for adult disability services, to supporting their transition from being a student to having meaningful employment and a viable livelihood. In particular, the Enabling Employment Credit, which offsets the wage cost of people with disabilities should be helpful in expanding job opportunities offered by employers."

**- Irene Tai (Ms), Energy, Utilities and Resources, Transport and Logistics Tax Leader, PwC Singapore (XXX,
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Notes to Editor

1. For information relating to Budget 2025, please refer to our [Singapore Budget 2025 campaign page at this link](#).
 2. Should you require a picture of our experts, please feel free to [download them from this link](#).
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