



## Singapore Budget 2025

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Feb 19, 2025 14:18 +08

## 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)**

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"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, XXXXXXXXXXXXXXXXXXXXXXXXXXXXX)**

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"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 (XXXXXXXXXXXXXXXXXXXX)**

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"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)**

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"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)**

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"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)**

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"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)**

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"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)**

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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)**

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"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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"With AI-powered digital transformation serving as a key thrust of business model reinvention, I am encouraged by the Singapore Government's decisive move to formulate a S\$150-million Enterprise Compute Initiative that will help organisations leverage the full potential of AI to build more sustainable businesses. As part of Singapore's robust enterprise ecosystem, firms will be able to tap into a full suite of AI resources from a range of players, ensuring that no firm treads alone on their AI-led transformational journey."

**- Charles Loh (Mr), Consulting Leader, PwC Singapore (☒☒☒,  
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"The enhanced Progressive Wage Credit Scheme is a welcome move, reinforcing support for businesses while ensuring fairer wages for lower-income workers. While higher co-funding helps offset wage increase, businesses must take proactive steps – such as optimising workforce productivity, rethinking cost structures and leveraging technology to stay competitive. Tapping into initiatives like the new SkillsFuture Workforce Development Grant can further support upskilling and reskilling as well as workforce transformation. The key is to treat this as an opportunity to build a more resilient, future-ready business while balancing cost pressures with fair wages."

**- Suk Peng Ding (Ms), Workforce Tax Leader, PwC Singapore (☒☒☒,  
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"To thrive in today's digital-first world of work, job redesign has emerged as a critical component for organisations to prime its workforce to improve their productivity. Hence, the new SkillsFuture Workforce Development Grant will support companies in upgrading their workforce through comprehensive job-redesign efforts, equipping employees with the necessary skills to excel in high-value and innovative roles."

**- Martijn Schouten (Mr), Workforce Transformation Leader, PwC South East Asia Consulting (☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒☒)**



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“The increase of 1.50% in the total CPF contribution rate from 1 Jan 2026 for older workers will definitely ease some of the anxiety senior workers face when it comes to retirement adequacy, especially those from the lower-income tier.”

**- Marcus Kok (Mr), Principal Pension Consultant, PwC Asia Actuarial Services (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXX)**

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“This new 5-year Matched Medisave Scheme really targets exactly the group of lower-income seniors, homemakers, and caregivers that needed it the most. I hope it will encourage their loved ones to take full advantage of the scheme by voluntarily topping up to their Medisave accounts.

**- Marcus Kok (Mr), Principal Pension Consultant, PwC Asia Actuarial Services (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXX)**

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“On top of that, expanding the Matched Retirement Savings Scheme to eligible Singaporeans with disabilities to help them save for retirement shows our government’s determination to create an inclusive society.”

**- Marcus Kok (Mr), Principal Pension Consultant, PwC Asia Actuarial Services (XXX, XXXXXXXXXXXXXXXXXXXXXXXXXXXX)**

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“Glad to hear that the government is exploring all possible options, including nuclear, towards energy resilience. I hope the \$5 billion top up to the Future Energy Fund will provide new business opportunities for Singapore companies in this exciting and critical sector.”

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





**- 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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## Contacts



**Siew Ling Ong**

Press Contact  
Manager, Brand and Communications  
[siew.ling.ong@pwc.com](mailto:siew.ling.ong@pwc.com)



**Candy Li**

Press Contact  
Team Lead - Brand & Communications  
[candy.yt.li@pwc.com](mailto:candy.yt.li@pwc.com)



**Verlynn Heng**

Press Contact  
Senior Associate  
Brand & Communications  
[verlynn.wy.heng@pwc.com](mailto:verlynn.wy.heng@pwc.com)  
81251483