

Singapore Budget 2024: Initiatives and support measures to help businesses thrive



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From the Refundable Investment Credit to funding for AI, sustainability and talent development, read about how Singapore is helping businesses tackle immediate challenges while investing for the future.

14 Mar 2024 • 9 min read



Singapore's 2024 Budget statement on 16 February 2024 contained a suite of support measures to help businesses tackle cost concerns, and initiatives to ensure a strong, innovative and vibrant economy.

During the subsequent Committee of Supply sessions that wrapped up in early March, the government provided more details on how ministries and agencies will sustain economic growth, while helping businesses and workers address challenges, enhance their capabilities and seize new growth opportunities.

Here's a recap of the key measures and initiatives.

1. S\$1.3 billion Enterprise Support Package

Qualifying businesses in Singapore will get help to manage rising costs in three ways. They will need to meet specific guidelines such as equity held by Singaporeans and/or Singaporean Permanent Residents, among other things.

Companies will receive a [Corporate Income Tax \(CIT\) rebate of 50 per cent](#), capped at S\$40,000, for 2024. For companies that are not profitable, minimum cash payouts of S\$2,000 will be disbursed to businesses with at least one local employee in



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Launched in 2010, PACT has been used to help defray costs borne by Original Equipment Manufacturers (OEMs) and their suppliers—such as on equipment, materials, testing and professional services—to validate that suppliers' procedures comply with the OEM's requirements. PACT also provides wage support for managers hired by OEMs to undertake supplier identification, procurement and setting up of manufacturing/quality systems.

About S\$150 million has gone towards PACT since then, benefiting more than 2,500 Singapore-based firms.

PACT will be enhanced to support more collaborations between larger companies such as MNCs and Large Local Enterprises (LLEs) and Small and Medium Enterprises (SMEs). The scheme will cover an expanded range of industry segments and modes of partnership, such as activities in capability training, internationalisation and corporate venturing, among others.

[Read more >>](#)

3. *New* Refundable Investment Credit

Singapore will implement the Income Inclusion Rule and a Domestic Top-up Tax under Pillar Two of Base Erosion and Profit Shifting (BEPS) 2.0 starting on or after 1 January 2025.

To enhance Singapore's attractiveness for investments, a new Refundable Investment Credit (RIC) will be introduced to support a broad range of projects that bring substantive economic activities to Singapore – from new productive capacity to headquarters and services, R&D and innovation and decarbonisation. RIC can be awarded to support up to 50 per cent of various qualifying costs, subject to an overall cap.

The credits will be offset against Corporate Income Tax payable. Any unutilised credit will be refunded in cash within four years from when the company satisfies the conditions for receiving credits.

EDB and Enterprise SG will administer the RIC and provide more details by 3Q2024.

[Learn more >>](#)

4. Other tax highlights

To ensure that our tax incentives remain relevant and competitive, Singapore will introduce an additional concessionary tax rate (CTR) tier of 10 per cent for the following schemes:

- Finance and Treasury Centre Incentive
- Aircraft Leasing Scheme

An additional CTR tier of 15 per cent will also be introduced for the following schemes:

- Development and Expansion Incentive
- Intellectual Property Development Incentive
- Global Trader Programme

More details will be provided by EDB and EnterpriseSG in 2Q2024.

[Learn more about the tax changes for businesses and individuals >>](#)

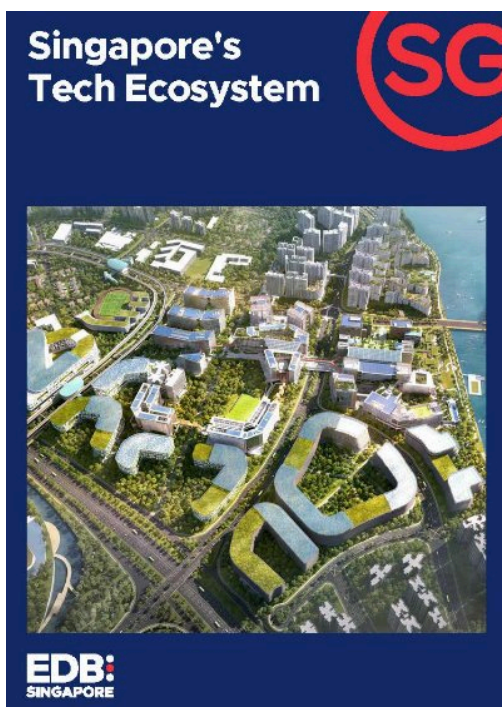


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and PhD courses in universities.

- The TechSkills Accelerator will be scaled up for fresh and mid-career workers keen on AI. IMDA will also expand company-led training for locals in AI. IMDA is targeting to reskill about 18,000 tech professionals in AI and Analytics with an emphasis on GenAI, Software Engineering, Cloud and Mobility.



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SMEs can access subsidies, grants and consultancy services to expand their use and adoption of AI-related tools. Those that wish to build their own AI solutions can also tap on the Generative AI X Digital Leaders scheme. There will also be a new AI Centre of Excellence for the manufacturing sector – which will work with companies to develop [relevant use cases that can benefit from AI](#).

The [Financial Sector Development Fund \(FSDF\)](#) will receive a top of up of S\$2 billion to drive more investments, capital and talent into Singapore's financial sector.

[Read more >>](#)

6. Supporting businesses in their sustainability journey.

Businesses will get more support to implement decarbonisation and energy efficiency solutions, and strengthen capabilities in sustainability.

- First launched in 2022, the [Energy Efficiency Grant \(EEG\)](#) that co-funds businesses in energy-efficient equipment will be expanded to more sectors, including manufacturing, construction, maritime, and data centres and their users.
- EnterpriseSG will extend the [Enterprise Financing Scheme-Green \(EFS-Green\)](#) by two years, to support Singapore enterprises embarking on their sustainability journey. The scheme will enable better access to green financing for Singapore companies that develop green technologies and solutions.
- EDB will enhance the [Resource Efficiency Grant for Emissions \(REG\(E\)\)](#) by lowering the carbon abatement threshold from 500 tonnes per annum to 250 tonnes per annum, allowing more industrial facilities to tap on the grant to undertake



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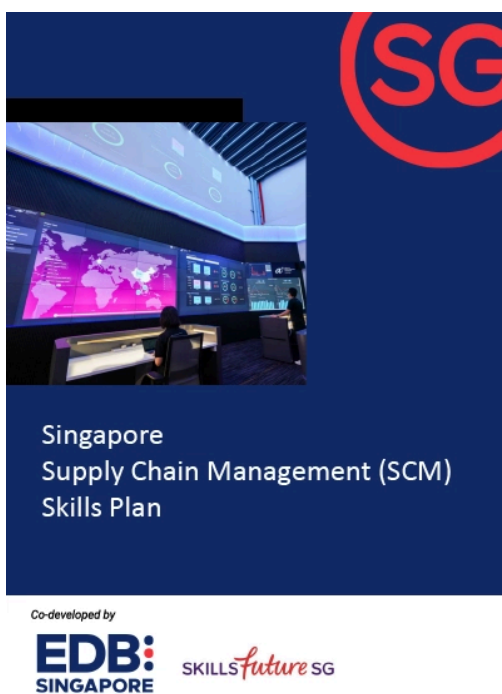


[Read more about sustainability support for businesses here >>](#)

7. Uplifting the workforce, developing talent

All Singaporeans aged 40 and above will get [a SkillsFuture Credit top-up of S\\$4,000](#) to encourage upskilling and to future-proof their careers. As part of the SkillsFuture Level-Up Programme, Singaporeans aged 40 and above will also get subsidies and allowances to [take on a full-time diploma at qualifying tertiary institutions](#) from academic year 2025.

The [Career Conversion Programme \(CCP\) scheme will be enhanced](#) from April 2024, giving employers in Singapore more support to hire mid-career workers and upskill existing employees under the programme. CCP salary support caps will also be raised. For mature workers or long-term unemployed workers, employers get up to 90 per cent funding support for the CCP training duration, capped at S\$6,000 per month. This will now be raised to S\$7,500.



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To develop and nurture more Singaporeans as regional or global corporate leaders, EDB will launch the [Global Business Leaders Programme \(GBLP\)](#). This will support key companies as they provide Singaporean middle to senior managers with opportunities for development and exposure to global business practices. GBLP complements existing [programmes such as the Singapore Leaders Network](#).

Singapore companies with overseas expansion plans will get financial support to send employees abroad to be trained for global or regional roles [under the new Overseas Markets Immersion Programme](#). As part of the programme, new mid-career hires or existing employees with little to no overseas market experience will benefit from on-the-job, in-market training for these roles in technology, business development, and more.

[Learn more >>](#)

8. S\$3 billion towards R&D and Innovation in Semiconductors, MedTech and Robotics

Singapore will invest an additional S\$3 billion in its Research, Innovation and Enterprise 2025 efforts.

Beyond creating new R&D translation platforms, additional resources will go to four key areas:

- The Agency for Science, Technology and Research (A*Star) will establish a National Semiconductor Translation and



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comprehensive support in design, development, verification, and validation phases. This initiative welcomes collaboration from clinical organisations and distributors interested in trialling and deploying innovative MedTech technologies. [Read more >>](#)

- S\$60 million will be provided to the National Robotics Programme to step up translation of robotics R&D capabilities, particularly in sectors such as manufacturing logistics, facilities management, and healthcare. [Learn more >>](#)

Last but not least: Singapore will continue to expand international and regional connectivity, by deepening cooperation with global partners through platforms like Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and Indo-Pacific Economic Framework for Prosperity (IPEF), and bilateral partnerships.

Singapore is currently negotiating a [Free Trade Agreement with Canada](#) and ASEAN is upgrading and reviewing its agreements with China and India. Singapore will also step up cooperation with neighbours, through mechanisms like the [Johor-Singapore Special Economic Zone \(JS-SEZ\)](#).

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Last updated: 12 Jun 2024