

Annex B: Preschool Subsidies

Existing Subsidies

1 Details of existing preschool subsidies are in Tables B-1, B-2 and B-3. Larger families (5 persons or more), with 3 or more dependants who are not earning an income, may choose to have their income assessed via per capita income (PCI) instead of household income (HHI).

Table B-1: Current full-day childcare subsidies

Working mother status ¹	Gross monthly household income ²	Gross monthly per capita income	Basic Subsidy (BS)	Additional Subsidy (AS)		
				Max AS	Max AS as a % of fees after BS	Min co-pay
Working mothers	\$2,500 and below	\$625 and below	\$300	\$440	99%	\$3
	\$2,501 to \$3,000	\$626 to \$750		\$400	98%	\$6
	\$3,001 to \$3,500	\$751 to \$875		\$370	90%	\$32
	\$3,501 to \$4,000	\$876 to \$1,000		\$310	80%	\$63
	\$4,001 to \$4,500	\$1,001 to \$1,125		\$220	70%	\$95
	\$4,501 to \$7,500	\$1,126 to \$1,875		\$100	50%	\$215
	Above \$7,500	Above \$1,875		N/A		
Non-working mothers ³			\$150	N/A		

Table B-2: Current full-day infant care subsidies

Working mother status	Gross monthly household income	Gross monthly per capita income	Basic Subsidy (BS)	Additional Subsidy (AS)		
				Max AS	Max AS as a % of fees after BS	Min co-pay
Working mothers	\$2,500 and below	\$625 and below	\$600	\$540	99%	\$60
	\$2,501 to \$3,000	\$626 to \$750		\$500	98%	\$100
	\$3,001 to \$3,500	\$751 to \$875		\$470	90%	\$130
	\$3,501 to \$4,000	\$876 to \$1,000		\$410	80%	\$190
	\$4,001 to \$4,500	\$1,001 to \$1,125		\$320	70%	\$280
	\$4,501 to \$7,500	\$1,126 to \$1,875		\$200	50%	\$400
	Above \$7,500	Above \$1,875		N/A		
Non-working mothers			\$150	N/A		

Table B-3: Current kindergarten subsidies

Gross monthly household income	Gross monthly per capita income	Max KiFAS as a % of fees	Max KiFAS (for fees excl. GST)	Max KiFAS (for fees incl. GST)
\$2,500 and below	\$625 and below	99%	\$160	\$170
\$2,501 to \$3,000	\$626 to \$750	98%	\$155	\$165
\$3,001 to \$3,500	\$751 to \$875	90%	\$140	\$150
\$3,501 to \$4,000	\$876 to \$1,000	75%	\$120	\$130
\$4,001 to \$4,500	\$1,001 to \$1,125	50%	\$80	\$85
\$4,501 to \$5,000	\$1,126 to \$1,250	35%	\$55	\$60
\$5,001 to \$6,000	\$1,251 to \$1,500	20%	\$30	\$35
Above \$6,000	Above \$1,500		N/A	

¹ Mothers or single fathers are considered to be working if they work at least 56 hours per month, which is about 2 days of work per week. This includes full-/part-time and freelance work arrangements.

² For salaried employees, gross monthly income is computed based on average income over the preceding 12-month period, before CPF deduction, and including bonuses, commissions, overtime pay, and allowances. For self-employed persons, gross monthly income is computed based on the annual trade income from their latest IRAS Notice of Assessment, divided by 12.

³ Non-working mothers may apply for higher subsidy support if they are in the midst of seeking employment or are unable to work due to medical reasons or caregiving commitments (e.g. caring for sick/special needs family members or a younger child aged 24 months and below).

2 Families can work out how much they can expect to pay for preschool currently by using the method as follows. Families can also use the Subsidy Calculator on ECDA’s website and GovTech’s Moments of Life app to estimate their fees payable after subsidies.

For childcare and infant care (for all operators) (current)

Monthly fees charged by preschool

Less: Basic Subsidy

Less: Additional Subsidy (if eligible), which will be the lower of:

- Maximum Additional Subsidy dollar amount, or
- Maximum Additional Subsidy percentage multiplied by fees payable after Basic Subsidy

Equals: Fees payable after subsidies*

*subject to min co-payment if receiving Additional Subsidy

For kindergartens run by Anchor Operators and MOE (current)

Monthly fees charged by preschool

Less: KiFAS subsidy (if eligible), which will be the lower of:

- Maximum KiFAS as a dollar amount, or
- Maximum KiFAS percentage multiplied by fees payable after KiFAS

Equals: Fees payable after subsidies

3 The worked examples for full-day childcare expenses today are as follows, assuming dual-income families, and assuming fees are at the respective fee caps for Anchor Operators and Partner Operators:

Childcare at Anchor Operator	Family A	Family B	Family C	Family D
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees after GST	\$770	\$770	\$770	\$770
Less: Basic Subsidy	\$300	\$300	\$300	\$300
Less: Additional Subsidy (existing)	\$400	\$100	N/A	N/A
Fees payable after subsidies today	\$70	\$370	\$470	\$470

Childcare at Partner Operator	Family E	Family F	Family G	Family H
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees after GST	\$856	\$856	\$856	\$856
Less: Basic Subsidy	\$300	\$300	\$300	\$300
Less: Additional Subsidy (existing)	\$400	\$100	N/A	N/A
Fees payable after subsidies today	\$156	\$456	\$556	\$556

Enhanced Subsidies

4 Details of the **enhanced** preschool subsidies are in Tables B-4, B-5 and B-6.

Table B-4: Enhanced full-day childcare subsidies, from January 2020

Working mother status ⁴	Gross monthly household income ⁵	Gross monthly per capita income	Basic Subsidy (BS)	Additional Subsidy (AS)	
				Max AS	Min co-pay
Working mothers	\$3,000 and below	\$750 and below	\$300	\$467	\$3
	\$3,001 to \$4,500	\$751 to \$1,125		\$440	\$30
	\$4,501 to \$6,000	\$1,126 to \$1,500		\$340	\$130
	\$6,001 to \$7,500	\$1,501 to \$1,875		\$260	\$210
	\$7,501 to \$9,000	\$1,876 to \$2,250		\$190	\$280
	\$9,001 to \$10,500	\$2,251 to \$2,625		\$130	\$340
	\$10,501 to \$12,000	\$2,626 to \$3,000		\$80	\$390
Above \$12,000	Above \$3,000		N/A		
Non-working mothers ⁶			\$150	N/A	

Table B-5: Enhanced full-day infant care subsidies, from January 2020

Working mother status	Gross monthly household income	Gross monthly per capita income	Basic Subsidy (BS)	Additional Subsidy (AS)	
				Max AS	Min co-pay
Working mothers	\$3,000 and below	\$750 and below	\$600	\$710	\$54
	\$3,001 to \$4,500	\$751 to \$1,125		\$640	\$124
	\$4,501 to \$6,000	\$1,126 to \$1,500		\$500	\$264
	\$6,001 to \$7,500	\$1,501 to \$1,875		\$380	\$384
	\$7,501 to \$9,000	\$1,876 to \$2,250		\$240	\$524
	\$9,001 to \$10,500	\$2,251 to \$2,625		\$100	\$664
	\$10,501 to \$12,000	\$2,626 to \$3,000		\$40	\$724
Above \$12,000	Above \$3,000		N/A		
Non-working mothers			\$150	N/A	

Table B-6: Enhanced kindergarten subsidies, from January 2020

Gross monthly household income	Gross monthly per capita income	Max KiFAS	Min co-pay
\$3,000 and below	\$750 and below	\$170	\$1
\$3,001 to \$4,500	\$751 to \$1,125	\$156	\$15
\$4,501 to \$6,000	\$1,126 to \$1,500	\$111	\$60
\$6,001 to \$7,500	\$1,501 to \$1,875	\$91	\$80
\$7,501 to \$9,000	\$1,876 to \$2,250	\$71	\$100
\$9,001 to \$10,500	\$2,251 to \$2,625	\$51	\$120
\$10,501 to \$12,000	\$2,625 to \$3,000	\$21	\$150
Above \$12,000	Above \$3,000		N/A

5 Families can work out how much they can expect to pay for preschool by using the method as follows. Subsidies for half-day and flexi-care subsidies will also be enhanced.

⁴ Mothers or single fathers are considered to be working if they work at least 56 hours per month, which is around 2 days of work per week. This includes full-/part-time and freelance work arrangements.

⁵ For salaried employees, gross monthly income is computed based on average income over the preceding 12-month period, before CPF deduction, and including bonuses, commissions, overtime pay, and allowances. For self-employed persons, gross monthly income is computed based on the annual trade income from their latest IRAS Notice of Assessment, divided by 12.

⁶ Non-working mothers may apply for higher subsidy support if they are in the midst of seeking employment or are unable to work due to medical reasons or caregiving commitments (e.g. caring for sick/special needs family members or a younger child aged 24 months and below).

For childcare and infant care (for all operators) (after enhancements)

Monthly fees charged by preschool

Less: Basic Subsidy

Less: Additional Subsidy (if eligible)

Equals: Fees payable after subsidies*

* subject to min co-payment if receiving Additional Subsidy

For kindergartens run by Anchor Operators and MOE from 2020 (as well as Partner Operators, from 2021)

Monthly fees charged by preschool

Less: KiFAS subsidy (if eligible)

Equals: Fees payable after subsidies*

* subject to min co-payment if receiving KiFAS

6 The worked examples for full-day childcare under the enhanced subsidies from January 2020 are as follows, assuming dual-income families, and assuming fees are at the respective fee caps for Anchor Operators and Partner Operators:

Childcare at Anchor Operator	Family A	Family B	Family C	Family D
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees after GST	\$770	\$770	\$770	\$770
Less: Basic Subsidy	\$300	\$300	\$300	\$300
Less: Additional Subsidy (enhanced)	\$467	\$340	\$190	\$80
Fees payable after subsidies	\$3	\$130	\$280	\$390

Childcare at Partner Operator	Family E	Family F	Family G	Family H
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees after GST	\$856	\$856	\$856	\$856
Less: Basic Subsidy	\$300	\$300	\$300	\$300
Less: Additional Subsidy (enhanced)	\$467	\$340	\$190	\$80
Fees payable after subsidies	\$89	\$216	\$366	\$476

7 The following tables compare what Families A to H in the examples will pay for full-day childcare before and after the enhanced preschool subsidies.

Childcare at Anchor Operator	Family A	Family B	Family C	Family D
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees payable after subsidies today	\$70	\$370	\$470	\$470
Fees payable after subsidies from Jan 2020	\$3	\$130	\$280	\$390

Childcare at Partner Operator	Family E	Family F	Family G	Family H
Gross monthly household income	\$3,000	\$5,000	\$8,000	\$12,000
Fees payable after subsidies today	\$156	\$456	\$556	\$556
Fees payable after subsidies from Jan 2020	\$89	\$216	\$366	\$476