A Comprehensive Guide to Government Grants for Newborns and Babies

Description

Thereâ??s a wide range of benefits available to parents if youâ??re having your baby in Singapore. I came to learn of all these cash grants and freebies when I was pregnant with my first child, but realised that many of my peers arenâ??t fully aware of what theyâ??re entitled to, so hereâ??s a full list of what you can get and how:

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BABY BONUSES & FREEBIES IN SINGAPORE

SG BUDGET BABE

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$8k Baby Bonus

1st & 2nd baby: $8,000
3rd child onwards: $10,000

This is a cash gift deposited into the parents' bank account over 18 months of your child's birth.

Apply at Baby Bonus website.

$3k in Child Development Account (CDA)

Get a $3k First Step Grant from the government via POSB, OCBC or UOB.

Get additional $3000 in dollar-for-dollar matching when you deposit money into your child's CDA over the next 12 years ($9k for 3rd and 4th child; $15k for 5th child onwards).

$4k MediSave Grant & MediShield Life

The government will give your newborn $4000 upon birth registration. Their CPF account will be automatically opened and the grant credited 2 months later.

All Singaporean babies will be automatically covered by MediShield Life from birth. You do not have to do anything to claim this benefit :)

Parental Leave & Income Tax Rebates

- 16 weeks paid maternity leave
- 2 weeks paid paternity leave
- Up to 6 days of paid childcare leave
- $4000 Qualifying Child Rebate (QCR)
- $5000 Parenthood Tax Rebate
- 15% - 25% income tax relief under Working Mother's Child Relief (WMCR)
- $600 infantcare subsidy for working

I detail them below on what they cover, and how you can apply to claim your benefits:

1. The Baby Bonus cash gift
2. The First-Step CDA grant and dollar-for-dollar matching
3. MediSave Maternity Package
4. MediSave Grant for Newborns
5. MediShield Life Coverage
6. Parental Leave Entitlement (paid by the government, too!)
7. Income Tax rebates
8. NTUC Good Start Bundle (with free hospitalisation insurance)
9. NLB Baby Gift Pack

1. Baby Bonus Cash Gift

As part of their efforts to boost the population fertility rate, the Singapore government gives you at least S$8,000 in cash if youâ??re having a baby and doing your part for â??national serviceâ?• :p

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Expect to get:

- $8,000 for your first and second child
- $10,000 for the third child onwards

The cash will be paid out over the first 18 months of your childâ??s birth. You can expect to receive the first portion of the cash gift within 7 to 10 working days of your childâ??s birth registration *(I got mine the week after applying)*, and after completing the online form found here. The cash can be used to offset your newbornâ??s expenses, although they may not necessarily pay for everything you need to spend on.

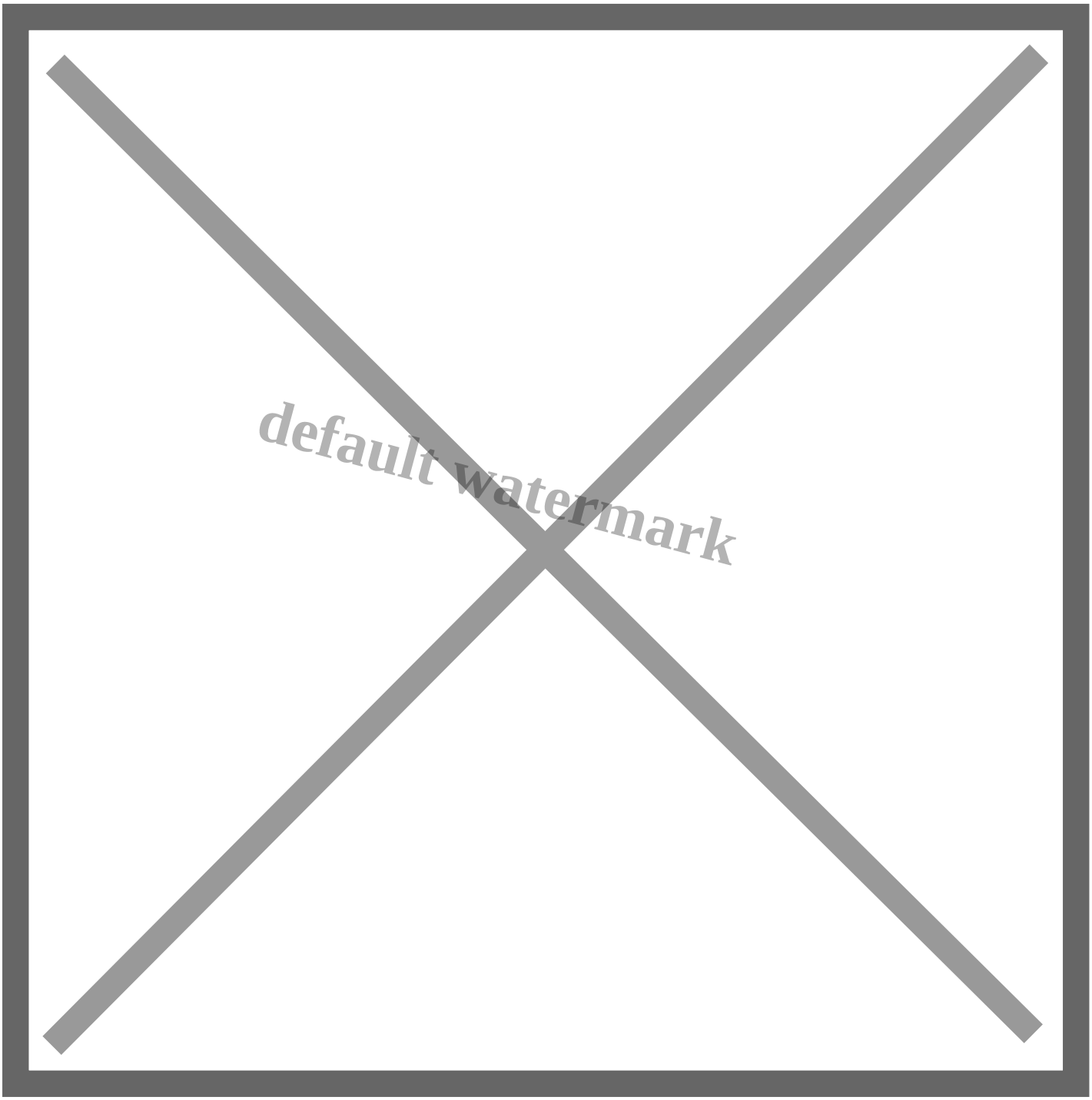
2. Child Development Account (CDA)

There are two parts to the CDA:

- A first-step cash grant of $3,000
- Dollar-for-dollar matching of $3k â?? $15k (depending on your childâ??s birth order)

You can expect your childâ??s CDA to be opened within 3 â?? 5 working days of their birth registration among either of the local banks â?? DBS, OCBC or UOB. Save a trip down to the bank by doing it online here.

For the dollar-to-dollar matching, you have till your child turns 12 years of age to contribute and get the equivalent from the government. The sum will be credited in the subsequent month of your top-up.



Source: Baby Bonus

Iâ??ve also reviewed what you can use your CDA funds for here, as well as which is the best CDA to open for your child.

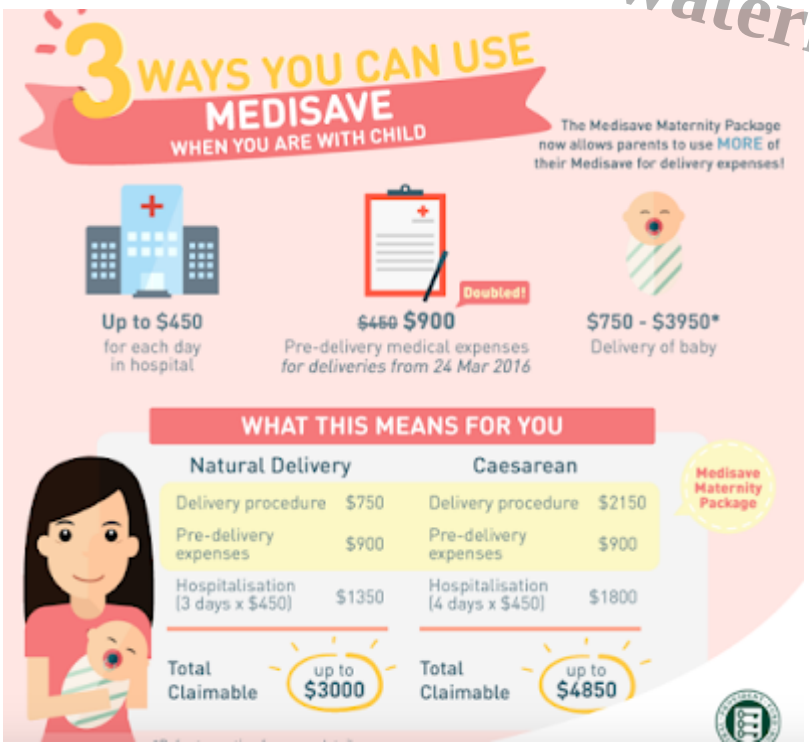
In our case, we chose to open the CDA with POSB (for reasons detailed in the above linked blog post). Within a few days, the new account was opened for us, and we received the NETS card by mail shortly after. I then got an SMS saying that the $3000 CDA First-Step Grant would be credited into my account soon. Everything took about 2 weeks so it was pretty efficient!

3. Your MediSave Maternity Package

As long as youâ??re delivering in a Singapore hospital, you can claim the following from your MediSave (also known as the MediSave Maternity Package):

- Up to $900 for pre-delivery care *(bring receipts of your prenatal consultation visits, screening tests, etc and submit to the hospital at time of bill payment after your delivery)*
- $750 to $2,150 for delivery procedures
- $450 to offset each day of your stay in the hospital *(usually 2 days for vaginal deliveries, and 3 days for Caesarean)*

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In our case, Thomson Medical filed the claims for us. I had a natural delivery where $2550 was deducted in total from my MediSave for the delivery procedure, prenatal claims and hospitalisation stay.

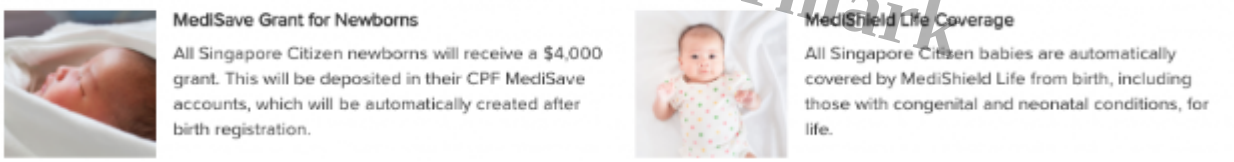
For my babyâ??s bill, $900 was deducted from my MediSave.

4. MediSave Grant for Newborns

All Singaporean babies will receive a $4,000 CPF MediSave grant, and the account will be automatically opened for them upon birth. The grant can be used to help pay for your childâ??s healthcare expenses â?? MediShield Life premiums, integrated shield plan a.k.a. hospitalisation insurance *(please get one, I highly recommend it as per this post)*, recommended childhood vaccinations *(defray the costs by getting it done at polyclinics for free or at a subsidized rate)* and approved outpatient treatments.

You do not have to do anything to receive this grant, as all eligible newborns will receive it automatically after birth registration and the grant will be credited two months later. Youâ??ll receive a notification letter once the grant has been deposited, but just in case your newborn is eligible but did not receive the grant, you can email the CPF Board at medgrant_newborn@cpf.gov.sg to enquire on the status.

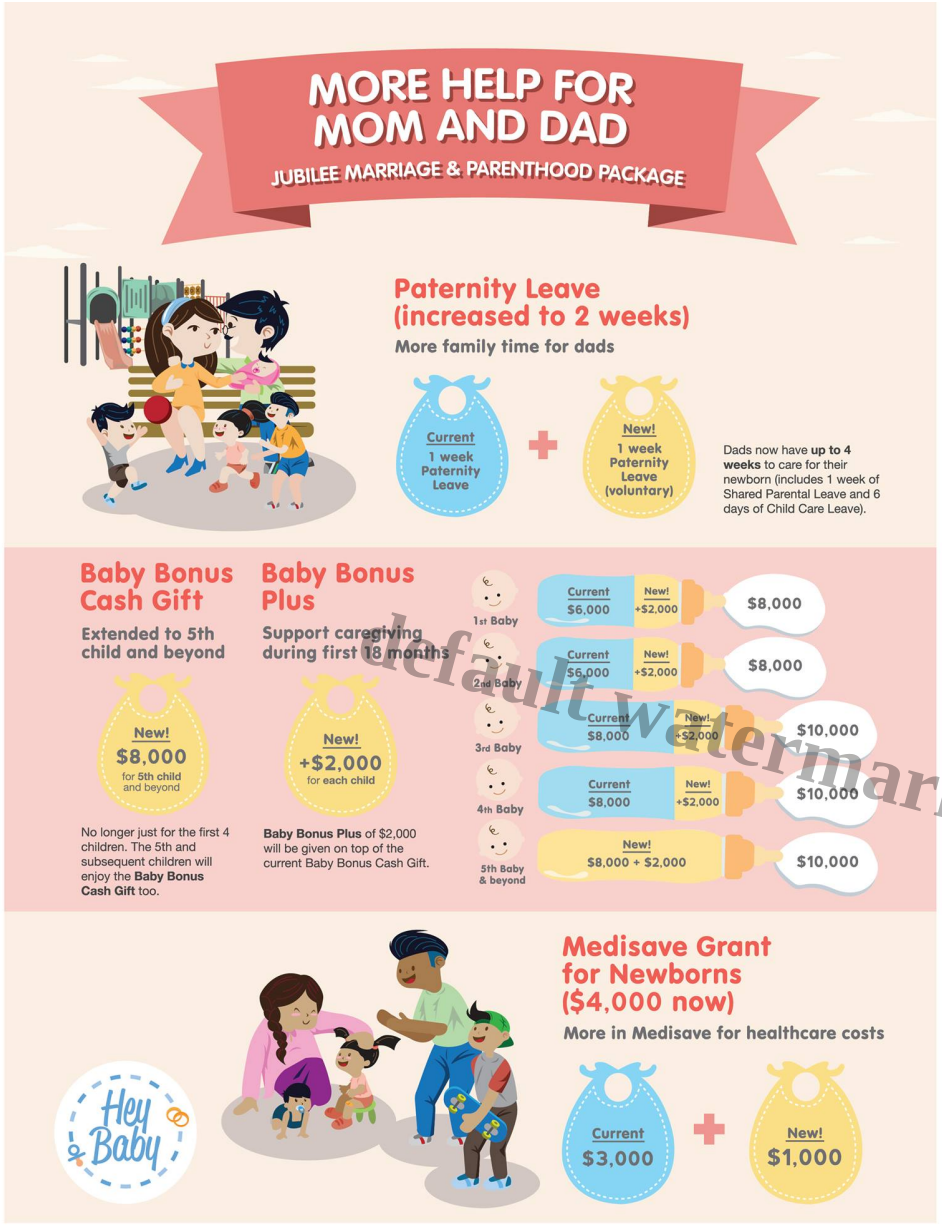
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5. MediShield Life Coverage

At this moment (Nov 2018). your MediShield Life still does not cover serious pregnancy and delivery-related complications â?? if you want financial protection for these, only a maternity insurance plan offers it.

All Singaporean babies are automatically covered by MediShield Life from birth, inclusive of coverage for congenital and neonatal conditions, for life *(these will usually be rejected by insurers or come with exclusion clauses, which is why I recommend getting a bundled maternity plan during your pregnancy with a transferable all-inclusive life plan with no underwriting if you can afford it)*.



6. Parental Leave

The full list of parental leave benefits youâ??re entitled to are:

- **16 weeks of paid maternity leave** for mothers *(as long as youâ??ve served in your job for at least 3 months),* or 12 weeks of paid adoption leave
    - If youâ??re self-employed, your benefits differ and you generally get 8 to 16 weeks of paid income â?? read here to calculate how much you can get *(hint: it depends on how much income you declared, so if you have been under-declaring your income to avoid taxesâ?¦good luck on that!)*
- **2 weeks of paid paternity leave** for fathers
- **4 weeks of shared parental leave** *(if your wife is willing to transfer hers to you)*

- **Up to 6 days of paid childcare leave for each spouse,** if your child is younger than 2 years of age (the Government-Paid Child Care Leave Scheme) â?? however, do note that this is subject to agreement with your employer as well, so if your workplace is not entirely pro-family then this could be quite tricky.
    - Youâ??ll get 2 days if your child is between the age of 7 â?? 12 years
- **6 days per year of unpaid childcare leave per spouse** *(thus combining with the above paid childcare leave, youâ??re entitled up to 12 days if your child is younger than 2 years old)*

6. Income Tax Rebates
Take advantage of the different tax rebates available for Singaporean parents :

- **Qualifying Child Relief,**
    - Claim up to $4,000 per child if your offspring is younger than 16 years of age or studying full-time.
      (Tip: the spouse with the higher income should be the one claiming for this, as it could probably reduce his/her taxes by a larger margin!)
- **Working Motherâ??s Child Relief,**
    - For mothers who are working and handling dual roles, you can claim 15% of your earned income in tax reliefs for your first child, 20% for your second, and 25% for each child if you have 3 kids or more!

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Do note though, that the total cap for QCR and WMCR is $50,000 per child.

- **Parenthood Tax Rebate,**
    - On your first child, you can claim $5,000 of Parenthood Tax Rebate. If you have 2 kids, add on another $10,000 for your second child. Or, if youâ??re like my cousin with 3 children (or more), you can add on $20,000 more for each subsequent child. This works out to a significant total of $35,000 of tax rebates if you have 3 children and make the maximum claims for them!
- Foreign Maid Levy Relief,
    - If youâ??re hiring a domestic helper to assist you
- Grandparent Caregiver Relief
    - If your parents are unemployed and helping to look after your child

For full details on claiming these income tax rebates and other methods to reduce your income tax, see this post I had previously written here, which was also shared by Ho Ching herself!

7. Subsidized Infant Care Scheme

You might need to place your newborn in an infant care centre once you go back to work, especially if you donâ??t have a domestic helper or a parent to help you look after your child. Fees arenâ??t cheap; on average, expect to pay at least $1,300 every month (for each baby). PCF Sparkletots and My First Skool have the most number of branches island-wide, and are generally affordable options for you to

look into for a start.

If you enrol your child in a centre licensed by the Early Childhood Development Agency (ECDA), then youâ??re automatically eligible for a subsidy. Working mothers can get a basic subsidy of up to $600 to offset your monthly infant care expenses, or up to $300 at childcare centres. Families with non-working mothers get up to $150 per month.

The last 2 Iâ??ll be sharing below arenâ??t exactly given by the government, but Iâ??m including them in this article as theyâ??re from a national co-operative and a government statutory board.

8. The NTUC Good Start Bundle

An initiative put together by NTUC and its 8 social enterprises, parents of newborns can claim up this bundle containing up to $300 worth of newborn / household essentials and benefits.



My NTUC Good Start Bundle, which I received for my firstborn

It also comes with a free one-year health insurance coverage, courtesy of NTUC Income. Donâ??t forget to register for your free bundle here once your baby is born!

9. The National Library Board (NLB) Baby Gift Pack

Register your baby as a library member and receive a baby gift pack to kickstart their reading journey from young!



The baby gift pack contains:

3 board books

Reading is Fun! Publication

Rhymes and Fingerplays for Little Ones

Baby Height Chart

A Guide for Reading with Little Ones DVD

All you need to do is to bring along your childâ??s birth certificate and your own NRIC to any library (except NLB Esplanade, Orchard and Chinatown) to register, borrow 6 books, and collect your baby gift pack!

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Parenthood isnâ??t easy, especially for first-time parents, so donâ??t forget to register and claim all your benefits and entitlements as listed above to help make your journey a little easier!

With love,
Budget Babe

Category

1. Family
2. Pregnancy