

Impact of personal income tax rebate

	Mr Ang (\$)	Mr Boo (\$)	Mr Choo (\$)	Mr Ding (\$)	Mr Eng (\$)	Mr Fang (\$)
Annual salary and bonus	10,000	25,000	35,000	36,715	50,000	100,000
Less personal relief						
Earned income relief	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Taxable income after personal relief and donation	9,000	24,000	34,000	35,715	49,000	99,000
Tax payable	—	80	340	400	1,180	5,535
Less tax rebate	—	(40)	(170)	(200)	(200)	(200)
Net tax payable	—	40	170	200	980	5,335

Note: The optimal taxable income level is at \$35,715, where the tax rebate is maxed out and at 50 per cent of tax payable.
All figures are rounded to the nearest dollar.

Source: A TAX ADVISOR SUNDAY TIMES GRAPHICS