



Gifts

Tax treatment of gifts given to employees for festive occasions (e.g. New Year) and special occasions (e.g. birthday or wedding).

Tax Treatment of Gifts (Summary Table)

Nature		Taxable/ Not taxable
1	Festive occasions such as Chinese New Year, Hari Raya, Deepavali and Christmas (cash/ non-cash)	<p>The gifts (e.g. red packets during Chinese New Year) are not taxable if they are not substantial in value and are generally available to all staff.</p> <p>As a guide, a gift not exceeding \$200 is considered to be not substantial in value. If the gift exceeds the exemption threshold, the full value is taxable.</p> <p>See Applying the Exemption Threshold (below).</p>
2	Special occasions e.g. celebration of SG50, birthdays, weddings and births of child (cash/ non-cash)	As above
3	Bereavement - wreath, condolence tokens, etc.	Not taxable

Festive Occasions/Special occasions (Cash/Non-Cash)

Cash and non-cash gifts relating to festive and special occasions which do not exceed the exemption threshold of \$200 are considered to be not substantial in value and are not taxable due to an administrative concession granted.

If a gift exceeds the exemption threshold, the full value of the gift is taxable. For example, if the baby gift set is worth \$250, the taxable value is \$250.



The threshold of \$200 is applicable per occasion.

Applying the Exemption Threshold


For example, an employee is given a cash gift of \$200 on his wedding, a birthday gift of \$50 and a Christmas gift of \$80 in the same year.

All gifts are not taxable as the value of each gift does not exceed \$200. The birthday gift given to an employee every year is also not taxable if each gift does not exceed \$200.

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