Parenthood Tax Rebate: Allocate It to the Spouse Who Can Use It

Description

Parents may agree how to share Parenthood Tax Rebate. For children born from 2008, the one-off amount is S$5,000 for the first child, S$10,000 for the second and S$20,000 for each subsequent child; allocations that do not total 100% are split equally by IRAS. The controlling references checked for this guide are IRAS Parenthood Tax Rebate and IRAS tax-savings explainer.

Choose the branch that matches your case

Situation	Action
One spouse has most current tax payable	Allocate enough PTR to extinguish that bill first
Both spouses have tax payable	Compare the utilisation speed under several splits
Neither owes much this year	Claim and carry the unused balance forward
An existing balance sits with the lower-tax spouse	Use myTax Portal to transfer it

Rebate is not relief

PTR offsets tax payable after rates are applied; it does not reduce chargeable income. IRAS Parenthood Tax Rebate.

Model each spouseâ??s tax before PTR rather than comparing salaries alone. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Use the correct child order

For children born from 2008, IRAS lists S$5,000 for the first child, S$10,000 for the second and S$20,000 for each later child. Family-unit rules determine order. IRAS tax-savings explainer.

Confirm birth, adoption and previous-family facts. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Agree a full allocation

Spouses may choose the apportionment, but IRAS defaults to an equal split where claims do not add to 100% or the couple cannot agree. IRAS Parenthood Tax Rebate.

Write the percentages and check the total before filing. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Unused value carries forward

PTR not used against current tax is carried forward automatically and is not paid out in cash. IRAS tax-savings explainer.

Include future taxable income when comparing allocation speed. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Balances can move later

One spouse can transfer unused PTR to the other through myTax Portal for the current Year of Assessment. IRAS Parenthood Tax Rebate.

Check the receiving spouseâ??s tax before initiating the transfer. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Optimise household tax, not ownership pride

A 50:50 split can leave one balance idle while the other spouse pays tax. IRAS tax-savings explainer.

Run 100:0, 50:50 and the precise tax-matching split. This matters because the decision is not complete until the evidence, timing and responsible person agree.

Use a household ptr utilisation optimiser

Turn the rule into a working aid with columns for the controlling fact, the evidence you hold, the result and the date checked. For this task, the decisive question is to allocate the rebate to reduce household tax fastest while preserving unused balances. A blank evidence cell is a stop sign, not permission to use a remembered number or a marketing summary.

Test at least two plausible branches from the table above. That comparison shows which fact changes the answer and prevents the most convenient scenario from being treated as the only possible one. Label every arithmetic step as an LBRD calculation and keep the official figure beside it.

Add a three-scenario spouse allocation table

The second aid should expose what the first one can hide: a deadline, cost, handover, alternative route or follow-up duty. Write the downside of being wrong beside each branch. Where the consequence is legal, financial, medical or safety-related, the competent authority and case-specific professional decision remain controlling.

Recheck the live source immediately before the irreversible step. Save only the minimum evidence needed, protect personal details, and note any limitation. Record who will act, the last safe date and the evidence that closes the task.

Stop when the evidence no longer matches

Pause the decision if you encounter confusing rebate with relief, ignoring child-order rules, filing allocations above or below 100%. Those are not small drafting errors; each can change the eligibility, cost, route or safety outcome described above. Return to IRAS Parenthood Tax Rebate for the controlling rule and use IRAS tax-savings explainer to check the second part of the decision.

If the authority page, account record, booking screen or case document disagrees with this guide, use the live record. Escalate to the named organisation or an appropriately qualified professional when a deadline is running, a child or adult is unwell, a licence or tax position is uncertain, or an irreversible payment is due. Keep the question narrow and provide the facts needed for a case-specific answer.

Work through a realistic example

A couple has S$5,000 of first-child PTR. Spouse A owes S$4,200 tax and Spouse B owes S$300. A 84:6 split uses S$4,500 this year and leaves S$500 to carry forward; a 50:50 split leaves more credit idle while A still pays tax. This is an LBRD illustration, not personal tax advice.

Before you act

1. Confirm eligibility and child order
2. Calculate each spouseâ??s pre-PTR tax
3. Test at least three allocations
4. Make percentages total 100
5. Submit the agreed claim
6. Check carried-forward balances
7. Transfer later if the tax pattern changes

Mistakes that change the answer

- Confusing rebate with relief
- Ignoring child-order rules
- Filing allocations above or below 100%

- Expecting cash for unused PTR
- Optimising one spouse instead of the household

Related LBRD guides

Next, separate relief planning from rebates. You can also review another family policy change.

Questions readers ask

Is PTR refundable in cash?

No. Unused PTR carries forward to offset future tax.

What happens if percentages do not total 100%?

IRAS apportions the rebate equally.

Can unused PTR be moved later?

Yes, spouses can transfer unused balance through myTax Portal.

Date Created
06/08/2026
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