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No. S 333

INCOME TAX ACT 1947

INCOME TAX

(EXEMPTION OF INTEREST AND OTHER PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL DEVELOPMENT) (AMENDMENT NO. 10) NOTIFICATION 2024

In exercise of the powers conferred by section 13(4) of the Income Tax Act 1947, the Minister for Finance makes the following Notification:

Citation and commencement

1.—(1) This Notification is the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment No. 10) Notification 2024.

(2) Paragraphs 2 and 5(b) to (h) are deemed to have come into operation on 31 December 2021.

(3) Paragraph 3(d), (e) and (f) is deemed to have come into operation on 4 November 2022.

(4) Paragraph 3(c) is deemed to have come into operation on 1 January 2023.

(5) Paragraphs 3(a), (b), (g), (h) and (i), 4 and 5(a) come into operation on 15 April 2024.

Amendment of paragraph 2

2. In the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 3) Notification 2003 (G.N. No. S 500/2003) (called in this Notification the principal Notification), in paragraph 2, in the definitions of “compensatory payment” and “securities lending or repurchase arrangement”, replace “section 10N(12)” with “section 10H(12)”.

Amendment of paragraph 3**3. In the principal Notification, in paragraph 3 —**

- (a) delete sub-paragraph (1);
- (b) in sub-paragraph (2), replace “Subject to sub-paragraphs (3) and (4)” with “Subject to sub-paragraphs (3), (4) and (5)”;
- (c) in sub-paragraph (2)(c)(i), replace “31 December 2022” with “31 December 2026”;
- (d) in sub-paragraph (2)(c)(i), delete “or” at the end;
- (e) in sub-paragraph (2)(c)(ii)(B), replace the comma at the end with “; or”;
- (f) in sub-paragraph (2)(c), after sub-paragraph (ii), insert —
 - “(iii) under a securities lending or repurchase agreement that is varied, where —
 - (A) the variation takes effect on a date that falls within the period from 4 November 2022 to 31 December 2026 (both dates inclusive); and
 - (B) the payment is made on or after the date on which the variation takes effect,”;
- (g) in sub-paragraphs (3) and (4), replace “sub-paragraphs (1) and (2)” with “sub-paragraph (2)”;
- (h) in sub-paragraph (4), replace sub-paragraph (b) with —
 - “(b) the interest payments are derived from moneys held on deposit in a bank in Singapore, where —
 - (i) the moneys for the deposit are from a collateral placed with the institution

by a person who is not a resident in Singapore; and

- (ii) the collateral was not obtained from any operation carried on by the person through the person's permanent establishment in Singapore.”; and

(i) after sub-paragraph (4), insert —

“(5) However, the exemption under sub-paragraph (2) does not apply to a specified payment liable to be made —

(a) under a securities lending or repurchase agreement mentioned in sub-paragraph (2)(c) that is varied with effect from a date on or after 1 January 2027; and

(b) on or after the date on which the variation takes effect.”.

Deletion of paragraph 4

4. In the principal Notification, delete paragraph 4.

Amendment of Schedule

5. In the principal Notification, in the Schedule —

- (a) delete Part I;
- (b) in Part II, in items 2 and 3, after “Banking Act”, insert “1970”;
- (c) in Part II, in item 4, replace “(Cap. 108)” with “1967”;
- (d) in Part II, in item 5, replace “(Cap. 289)” with “2001”;
- (e) in Part II, in item 5(a), replace “(Cap. 110)” with “2001”;
- (f) in Part II, in item 6, after “Securities and Futures Act”, insert “2001”;
- (g) in Part II, in item 8, replace “(Cap. 142)” with “1966”; and

(h) in Part II, in item 9, replace “(Cap. 336)” with “2005”.

[G.N. Nos. S 799/2018; S 478/2021]

Made on 2 April 2024.

LAI WEI LIN
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