CHAPTER 86

Economic Expansion Incentives (Relief from Income Tax) Act

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Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
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[REPEALED]

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[REPEALED]

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An Act relating to incentives for the establishment of pioneer industries and for economic expansion generally, by way of providing relief from income tax.

[15th December 1967]

PART I
PRELIMINARY

Short title

1. This Act may be cited as the Economic Expansion Incentives (Relief from Income Tax) Act.
Act to be construed as one with Income Tax Act

2. This Act shall, unless otherwise expressly provided for in this Act, be construed as one with the Income Tax Act (Cap. 134).

Interpretation

3. In this Act, unless the context otherwise requires —

“approved foreign loan” means a loan which is certified under section 57 to be an approved foreign loan;

“approved royalties, fees or contributions” means royalties, technical assistance fees or contributions to research and development costs which have been certified under section 61 to be approved royalties, fees or contributions;

“certificate” includes a letter or other document issued by the Minister to a company pursuant to an application made by the company under a provision of this Act;

“company” means any company incorporated or registered in accordance with the provisions of any written law relating to companies;

“Comptroller” means the Comptroller of Income Tax appointed under the Income Tax Act (Cap. 134);

“foreign loan certificate” means a foreign loan certificate issued under section 57;

“manufacture”, in relation to a product, includes any process or method used in making or developing the product;

“new trade or business” means the trade or business of a pioneer enterprise deemed under section 7 to have been set up and commenced on the day following the end of its tax relief period;

“old trade or business” means the trade or business of a pioneer enterprise carried on by it during its tax relief period in accordance with section 7, and which either ceases within or is deemed, under that section, to cease at the end of that period;

[Act 1 of 2012 wef 29/02/2012]
“pioneer certificate” means a pioneer certificate issued under section 5;

“pioneer enterprise” means any company which has been approved by the Minister and to which a pioneer certificate has been issued under section 5;

“pioneer industry” means an industry approved under section 4 to be a pioneer industry;

“pioneer product” means a product approved under section 4 to be a pioneer product;

“production day”, in relation to a pioneer enterprise, means the date specified in its pioneer certificate under section 5(3)(a) or (5);

“productive equipment” means machinery or plant which would normally qualify for deduction under sections 19, 19A, 20, 21 and 22 of the Income Tax Act;

“royalties, fees or contributions certificate” means a certificate issued under section 61;

“royalties or technical assistance fees” includes —

(a) any royalties, rentals or other amounts paid as consideration for the use of, or the right to use, copyright, scientific works, patents, designs, plans, secret processes, formulae, trade marks, licences or other like property or rights;

(b) income derived from the alienation of property or information mentioned in paragraph (a); and

(c) other amounts paid in consideration of services rendered by a non-resident person or his employee in connection with the use of property or rights belonging to, or the initial operation of any plant, machinery or other apparatus purchased from, the non-resident person,

but does not include royalties, rentals or other amounts paid in respect of the operation of mines, quarries or other places of extraction of natural resources; or fees paid to an
individual for the performance of professional services in Singapore other than as an employee;

“tax” means income tax imposed by the Income Tax Act (Cap. 134).

[34/84; 11/2004; 48/2004]

PART II

PIONEER INDUSTRIES

Power to approve an industry and a product as a pioneer industry and a pioneer product

4.—(1) The Minister may, if he considers it expedient in the public interest to do so, approve an industry, which is not being carried on in Singapore on a scale adequate to the economic needs of Singapore and for which in his opinion there are favourable prospects for development, to be a pioneer industry and any specific product of that industry to be a pioneer product.

[48/2004]

(2) The Minister may revoke any approval given under this section but any such revocation shall not affect the operation of any pioneer certificate issued to any pioneer enterprise before the revocation.

[48/2004]

(3) Any industry which has been approved as a pioneer industry or any product which has been approved as a pioneer product before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 2004 shall be deemed to have been approved under this section.

[48/2004]

Application for and issue and amendment of pioneer certificate

5.—(1) Any company which is desirous of producing a pioneer product may make an application in writing to the Minister to be approved as a pioneer enterprise in such form and with such particulars as may be prescribed.

(2) Where the Minister is satisfied that it is expedient in the public interest to do so and, in particular, having regard to the production or
anticipated production of the pioneer product from all sources of production in Singapore, he may approve that company as a pioneer enterprise and issue a pioneer certificate to the company, subject to such conditions as he thinks fit.

(3) Every pioneer certificate issued under this section shall specify —

(a) the date on or before which it is expected that the pioneer enterprise will commence to produce in marketable quantities the product specified in the certificate; and

(b) the rate of production of that product which it is expected will be attained on or before that date.

(4) The date specified under subsection (3)(a) shall be deemed to be the production day of the pioneer enterprise for the purposes of this Act.

(5) The Minister may, in his discretion, upon the application of any pioneer enterprise, amend its pioneer certificate by substituting for the production day specified therein such earlier or later date as he thinks fit and thereupon the provisions of this Act shall have effect as if the date so substituted were the production day in relation to that pioneer enterprise.

Tax relief period of pioneer enterprise

6. The tax relief period of a pioneer enterprise shall commence on its production day and shall continue for such period, not exceeding 15 years, as the Minister may determine.


Provisions governing old and new trade or business

7. For the purposes of the Income Tax Act (Cap. 134) and this Act —

(a) the old trade or business of a pioneer enterprise shall be deemed to have permanently ceased at the end of its tax relief period;
the pioneer enterprise shall be deemed to have set up and commenced a new trade or business on the day immediately following the end of its tax relief period;

(c) the pioneer enterprise shall make up accounts of its old trade or business for a period not exceeding one year, commencing on its production day, for successive periods of one year thereafter and for the period not exceeding one year ending at the date when its tax relief period ends; and

(d) in making up the first accounts of its new trade or business the pioneer enterprise shall take as the opening figures for those accounts the closing figures in respect of its assets and liabilities as shown in its last accounts in respect of its tax relief period, and its next accounts of its new trade or business shall be made up by reference to the closing figures in such first accounts and any subsequent accounts shall be similarly made up by reference to the closing figures of the preceding accounts of its new trade or business.

Restrictions on trading before end of tax relief period

8.—(1) Where, during its tax relief period, a pioneer enterprise carries on any trade or business other than the trade or business relating to the relevant pioneer product (referred to in this section as separate trade), separate accounts shall be maintained in respect of that separate trade or business and in respect of the same accounting period.


(2) Where the carrying on of such separate trade results in a loss in any accounting period, the loss shall be brought into the computation of the income of the pioneer enterprise for that period unless the Comptroller, having regard to all the circumstances of the case, is satisfied that the loss was not incurred for the purpose of obtaining a tax advantage.

[22/87]

(3) Where the carrying on of such separate trade results in a profit in any accounting period, and the profit, computed in accordance with the provisions of the Income Tax Act (Cap. 134) as modified by this
section, amounts to less than 5% of the full sum receivable from the
sale of goods or the provision of services, the statutory income from
that source shall be deemed to be 5% (or such lower rate as the
Comptroller may specify in any particular case) of the full sum so
receivable and the income of the pioneer enterprise shall be abated
accordingly.

(4) Where in the opinion of the Comptroller the carrying on of such
separate trade is subordinate and incidental to the carrying on of the
trade or business relating to the relevant pioneer product, the income
or loss arising from such activities shall be deemed to form part of the
income or loss of the pioneer enterprise.

(5) In this section, “relevant pioneer product” means the pioneer
product specified in its pioneer certificate.

Power to give directions

9. For the purposes of the Income Tax Act and this Act, the
Comptroller may direct that —

(a) any sums payable to a pioneer enterprise in any accounting
period which, but for the provisions of this Act, might
reasonably and properly have been expected to be payable,
in the normal course of business, after the end of that
period shall be treated as not having been payable in that
period but as having been payable on such date, after that
period, as the Comptroller thinks fit and, where that date is
after the end of the tax relief period of the pioneer
enterprise, as having been so payable, on that date, as a
sum payable in respect of its new trade or business; and

(b) any expense incurred by a pioneer enterprise within one
year after the end of its tax relief period which, but for the
provisions of this Act, might reasonably and properly have
been expected to be incurred, in the normal course of
business, during its tax relief period shall be treated as not
having been incurred within that year but as having been
incurred for the purposes of its old trade or business and on
such date, during its tax relief period, as the Comptroller
thinks fit.
Ascertainment of income in respect of old trade or business

10.—(1) The income of a pioneer enterprise in respect of its old trade or business shall be ascertained in accordance with the provisions of the Income Tax Act (Cap. 134) after making such adjustments as may be necessary in consequence of any direction given under section 9.

(2) In determining the income of a pioneer enterprise referred to in subsection (1), the allowances provided for in sections 16, 17, 18, 18B, 18C, 19, 19A, 19B, 20, 21 and 22 of the Income Tax Act shall be taken into account notwithstanding that no claim for such allowances has been made.

[48/2004]
[29/2010 wef 23/02/2010]

(3) Where the tax relief period of a pioneer enterprise referred to in subsection (1) expires during the basis period for any year of assessment, for the purpose of determining the income in respect of its old trade or business and its new trade or business for that year of assessment, there shall be deducted allowances provided for in sections 16, 17, 18, 18B, 18C, 19, 19A, 19B, 20, 21 and 22 of the Income Tax Act notwithstanding that no claim for such allowances has been made; and for the purpose of computing such allowances —

(a) the allowances for that year of assessment shall be computed as if the old trade or business of the pioneer enterprise had not been deemed to have permanently ceased at the end of the tax relief period; and

(b) the allowances computed in accordance with paragraph (a) shall be apportioned between the old trade or business and the new trade or business of the pioneer enterprise in such manner as appears to the Comptroller to be reasonable in the circumstances.

[36/93; 48/2004]
[29/2010 wef 23/02/2010]

(4) Where in any year of assessment full effect cannot, by reason of an insufficiency of profits for that year of assessment, be given to the allowances mentioned in subsection (2), then the balance of the allowances shall be added to, and be deemed to form part of, the
corresponding allowances, if any, for the next succeeding year of assessment and, if no such corresponding allowances fall to be made for that year, shall be deemed to constitute the corresponding allowances for that year, and so on for subsequent years of assessment.

(5) Notwithstanding subsections (1) and (2), where a pioneer enterprise has incurred or has given a written undertaking to the Minister to incur a capital expenditure of not less than $150 million and —

(a) more than 50%, or such other percentage as the Minister may determine, of the paid-up capital of the pioneer enterprise is held by persons permanently resident in Singapore; and

(b) such capital expenditure has been approved by the Minister as promoting or enhancing the economic or technological development of Singapore,

the capital expenditure so incurred by the pioneer enterprise within its tax relief period in respect of any asset used for the purposes of its new trade or business shall, subject to such conditions as the Minister may impose, be deemed, for the purposes of sections 16, 17, 18, 18B, 18C, 19, 19A, 19B, 20, 21 and 22 of the Income Tax Act (Cap. 134), to have been incurred on the day immediately following the last day of its tax relief period.

[29/91; 48/2004]
[29/2010 wef 23/02/2010]

(6) Where a pioneer enterprise referred to in subsection (5) carries on a separate trade or business, and any building, plant or machinery is used both for the purposes of that trade or business and the trade or business relating to the relevant pioneer product, subsection (5) shall apply to that building, plant or machinery.

[29/91; 11/2004]
[29/2010 wef 23/02/2010]

(7) Where a pioneer enterprise has, before 16th August 1991, incurred a capital expenditure of not less than $1,000 million, subsection (5) shall apply to that enterprise in respect of that
expenditure notwithstanding that the enterprise has not complied with paragraphs (a) and (b) of that subsection.

(8) Where a pioneer enterprise referred to in subsection (5) or (7) is the holder of 2 pioneer certificates in respect of different periods of time, and capital expenditure has been incurred in respect of any building, plant or machinery which is jointly used in carrying on the trade or business of the 2 pioneer industries, no deduction shall be made in respect of such expenditure under any of the provisions contained in sections 16, 17, 18, 18B, 18C, 19, 19A, 19B, 20, 21 and 22 of the Income Tax Act (Cap. 134) until after the expiration of the tax relief period that is later in time.

(9) In subsections (5) and (7), “capital expenditure” means capital expenditure in connection with a pioneer product, on factory building (excluding land) in Singapore, on any new plant or new machinery used in Singapore and on intellectual property rights for use in Singapore and, subject to the approval of the Minister, on any secondhand plant or secondhand machinery used in Singapore.

Application of Part XVI of Income Tax Act

11. Part XVI of the Income Tax Act (relating to returns of income) shall apply in all respects as if the income of a pioneer enterprise in respect of its old trade or business were chargeable to tax.

Comptroller to issue statement of income

12. For each year of assessment, the Comptroller shall issue to the pioneer enterprise a statement (to be included in a notice of any assessment served on the pioneer enterprise under section 76 of the Income Tax Act) showing the amount of income in respect of its old trade or business for that year of assessment, and Parts XVII and XVIII of the Income Tax Act (relating to assessments, objections and appeals) shall apply, with the necessary modifications, as if that statement were a notice of assessment given under those provisions.
Exemption from income tax

13.—(1) Subject to section 14(7), where any statement issued under section 12 has become final and conclusive, the amount of the income shown by the statement shall not form part of the statutory income of the pioneer enterprise for any year of assessment and shall be exempt from tax.

(2) The Comptroller may, in his discretion and before such a statement has become final and conclusive, declare that a specified part of the amount of such income is not in dispute and such an undisputed amount of income is exempt from tax, pending such a statement becoming final and conclusive.

Certain dividends exempted from income tax

14.—(1) As soon as any amount of income of a pioneer enterprise has become exempt under section 13, that amount shall be credited to an account to be kept by the pioneer enterprise for the purposes of this section.

(2) Where that account is in credit at the date on which any dividends are paid by the pioneer enterprise out of income which has been exempted, an amount equal to those dividends or to that credit, whichever is the less, shall be debited to the account.

(3) So much of the amount of any dividends so debited to that account as is received by a shareholder of the pioneer enterprise shall, if the Comptroller is satisfied with the entries in the account, be exempt from tax in the hands of the shareholder.

(4) Notwithstanding subsections (3) and (10), no dividend paid on any share of a preferential nature shall be exempt from tax under this section in the hands of the shareholder.


(5) Any dividends debited to that account shall be treated as having been distributed to the shareholders of the pioneer enterprise or any particular class of those shareholders in accordance with the proportion of their shareholdings in the pioneer enterprise.

[44/2002]

(6) The pioneer enterprise shall deliver to the Comptroller a copy of that account, made up to a date specified by him, whenever called
upon to do so by notice in writing sent by him to its registered office, until such time as he is satisfied that there is no further need for maintaining the account.

(7) Notwithstanding section 13 and subsections (1) to (6), where it appears to the Comptroller that —

(a) any amount of exempted income of a pioneer enterprise; or

(b) any dividend exempted in the hands of any shareholder, ought not to have been exempted by reason of any direction made under section 9 or the revocation under section 99 of a pioneer certificate issued to the pioneer enterprise, the Comptroller may subject to section 74 of the Income Tax Act (Cap. 134) —

(i) make such assessment or additional assessment upon the pioneer enterprise or any such shareholder as may appear to be necessary in order to counteract any profit obtained from any such amount; or

(ii) direct the pioneer enterprise to debit its account, kept in accordance with subsection (1), with such amount as the circumstances require.

[1/95; 44/2002]

(8) Parts XVII and XVIII of the Income Tax Act (relating to assessments, objections and appeals) shall apply, with the necessary modifications, to any direction given under subsection (7) as if it were a notice of assessment given under those provisions.

(9) Section 44 of the Income Tax Act shall not apply in respect of any dividend or part thereof which is debited to the account required to be kept for the purposes of this section.

(10) Where an amount has been received by way of dividends from a company by a shareholder and the amount is exempt from tax under this section, if that shareholder is a company, any dividends paid by that company to its shareholders, to the extent that the Comptroller is satisfied that those dividends are paid out of that amount, shall be exempt from tax in the hands of those shareholders; and section 44 of the Income Tax Act shall not apply to any such dividends or part thereof.

[44/2002]
Carry forward of loss and allowance

15.—(1) Where a pioneer enterprise has, during its tax relief period, incurred a loss for any year, that loss shall be deducted as provided for in section 37 of the Income Tax Act, with the necessary modifications, but only against the income of the pioneer enterprise as ascertained under section 10, except that the balance of any such loss which remains unabsorbed at the end of its tax relief period is available to the new trade or business in accordance with that Act.

[22/87; 11/2004]

(2) Notwithstanding section 7(a), the balance of any allowance as provided for in section 10 which remains unabsorbed at the end of the tax relief period of the pioneer enterprise is available to the new trade or business in accordance with the Income Tax Act (Cap. 134).

[22/87]

PART III

PIONEER SERVICE COMPANIES

Interpretation of this Part

16. In this Part, unless the context otherwise requires —

“commencement day”, in relation to a pioneer service company, means the date specified under section 17(3) or (4) in the certificate issued to that company under that section;

“pioneer service company” means a company which has been issued with a certificate under section 17;

“qualifying activity” means any of the following:

(a) any engineering or technical services including laboratory, consultancy and research and development activities;

(b) computer-based information and other computer related services;

(c) the development or production of any industrial design; and
Application for and issue and amendment of certificate for pioneer service company

17.—(1) Where a company is engaged in any qualifying activity, the company may apply in the prescribed form to the Minister for approval as a pioneer service company.

(2) The Minister may, if he considers it expedient in the public interest to do so, approve the application and issue the company with a certificate subject to such terms and conditions as he thinks fit.

(3) Every certificate issued under this section shall specify a date as the commencement day from which the company shall be entitled to tax relief under this Part.

(4) The Minister may, in his discretion, upon the application of the company, amend its certificate by substituting for the commencement day specified therein such earlier or later date as he thinks fit and thereupon the provisions of this Part shall have effect as if the date so substituted were the commencement day in relation to that certificate.

Tax relief period of pioneer service company

18. The tax relief period of a pioneer service company, in relation to any qualifying activity specified in any certificate issued to that company under section 17, shall commence on the commencement day and shall continue for such period, not exceeding 15 years, as the Minister may determine.

Application of sections 7 to 15 to pioneer service company

19. Sections 7 to 15 shall apply to a pioneer service company under this Part and for the purposes of such application —

(a) any reference to a pioneer enterprise shall be read as a reference to a pioneer service company;
(b) any reference to a pioneer product shall be read as a reference to a qualifying activity;

(c) any reference to the production day of a pioneer enterprise shall be read as a reference to the commencement day of a pioneer service company;

(d) any reference to a pioneer certificate shall be read as a reference to a certificate issued under section 17.

PART IIIA
POST-PIONEER COMPANIES


PART IIIB*
DEVELOPMENT AND EXPANSION INCENTIVE

Interpretation of this Part

19I. In this Part, unless the context otherwise requires —

“commencement day”, in relation to a development and expansion company, means the date specified under section 19J(3) in the certificate issued to the company under that section;

*From year of assessment 1997.
“development and expansion company” means a company which has been issued with a certificate under section 19J(2);

“qualifying activity” means any of the following:

(a) the manufacturing or increased manufacturing of any product from any industry that would be of economic benefit to Singapore;

(b) any qualifying activity as defined in section 16; and

(c) such other services or activities as may be prescribed.

Application for and issue of certificate to development and expansion company

19J.—(1) Any company engaged in any qualifying activity may apply in the prescribed form to the Minister for approval as a development and expansion company.

(2) The Minister may, if he considers it expedient in the public interest to do so, approve the application and issue the company with a certificate subject to such terms and conditions as he may impose.

(3) Every certificate issued to a development and expansion company under this section shall specify —

(a) a date as the commencement day from which the company shall be entitled to tax relief under this Part;

(b) its qualifying activities; and

(c) the concessionary rate of tax to be levied for the purposes of this Part.

(4) The Minister may, in his discretion, upon an application of a development and expansion company, amend its certificate by substituting for the commencement day specified therein such other date as he thinks fit and thereupon the provisions of this Part shall have effect as if that date were the commencement day in relation to that certificate.
(5) Notwithstanding section 43 of the Income Tax Act (Cap. 134), tax at such concessionary rate, not being less than 5% as the Minister may specify, shall be levied and paid for each year of assessment upon the expansion income derived by a development and expansion company during its tax relief period from its qualifying activities.

[36/96; 44/2002]

(5A) In the case of a development and expansion company that is approved as such on or after the date the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2012 is published in the Gazette or which has been granted on or after that date an extension of its tax relief period, the concessionary rate of tax applicable to its expansion income that is derived by it at any time on or after the date of its approval or during the extension period (as the case may be), and during any of the following parts of its tax relief period (if applicable):

(a) the beginning of the 11th year of the tax relief period to the end of the 15th year of, or the end of, the tax relief period, whichever is earlier;

(b) the beginning of the 16th year of the tax relief period to the end of the 20th year of, or the end of, the tax relief period, whichever is earlier;

[Act 2 of 2013 wef 29/02/2012]

(c) the beginning of the 21st year of the tax relief period to the end of the 30th year of, or the end of, the tax relief period, whichever is the earlier;

[Act 2 of 2013 wef 29/02/2012]

(d) the beginning of the 31st year of the tax relief period to the end of the 40th year of, or the end of, the tax relief period, whichever is the earlier,

[Act 2 of 2013 wef 29/02/2012]

shall be the rate specified by the Minister to the company, which shall not be less than

\[(0.5 + A)\%\],

where A is the concessionary rate of tax applicable to the company’s expansion income that is derived by it.
immediately before the commencement of that part of the
tax relief period.

[Act 1 of 2012 wef 29/02/2012]

(6) The expansion income shall be the income from such qualifying
activities (referred to in this section and section 19M as qualifying
income) to which the certificate issued under this section relates that
exceeds the average corresponding income.

[36/96; 11/2004]

(7) The average corresponding income referred to in subsection (6)
shall be determined by taking one-third of the total of the
corresponding qualifying income for the 3 years immediately
preceding the commencement day specified in the certificate issued
under this section.

[36/96; 11/2004]

(8) Where a development and expansion company which has been
approved as such at any time before the date the Economic Expansion
Incentives (Relief from Income Tax) (Amendment) Act 2012 is
published in the Gazette, and has been granted a tax relief period of at
least 10 years, is granted at any time before that date an extension or a
further extension of its tax relief period under section 19K(1)(b) or
(2), the Minister shall compute the average corresponding income for
each such extension or further extension in accordance with
subsection (9).

[48/2004]

[Act 1 of 2012 wef 29/02/2012]

(9) The average corresponding income for each extension or further
extension referred to in subsection (8) shall be determined by taking
one-third of the total of the corresponding qualifying income for the 3
years immediately preceding the date of that extension or further
extension of its tax relief period, as the case may be.

[48/2004]

(10) Notwithstanding subsections (7), (8) and (9), the Minister may,
if he thinks fit, specify any amount to be the average corresponding
income in substitution of the amount determined under those
subsections.

[48/2004]
Tax relief period of development and expansion company

19K.—(1) Subject to subsection (3), the tax relief period of a development and expansion company shall commence on its commencement day and shall continue —

(a) for such period not exceeding 10 years as the Minister may determine; and

(b) for such further period or periods, not exceeding 5 years for each period, as the Minister may determine, where the Minister is satisfied that it is expedient in the public interest to do so and subject to such terms and conditions as he may impose.

[48/2004]

(2) Subject to subsection (3), the Minister may, if he is satisfied that it is expedient in the public interest to do so and subject to such terms and conditions as he may impose, extend the tax relief period of a development and expansion company after the expiry of the total tax relief period in subsection (1) for such further period or periods, not exceeding 5 years at any one time, as he may determine.

[48/2004]

(3) The total tax relief period of a development and expansion company under subsections (1) and (2) shall not in the aggregate exceed 20 years.

[48/2004]

(3A) Notwithstanding subsection (3) and subject to subsection (3B), the Minister may, if he is satisfied that it is expedient in the public interest to do so and subject to such terms and conditions as he may impose, extend the tax relief period of a relevant development and expansion company (beyond the maximum total period allowed under subsection (3)) for such further period or periods, not exceeding 10 years at any one time, as he may determine.

[Act 2 of 2013 wef 18/02/2008]

(3B) The total tax relief period of a relevant development and expansion company under subsections (1), (2) and (3A) shall not in the aggregate exceed 40 years.

[Act 2 of 2013 wef 18/02/2008]
(3C) An extension of the tax relief period of a relevant development and expansion company under subsection (3A) shall only be granted during the period between 18th February 2008 and 17th February 2018 (both dates inclusive).

[Act 2 of 2013 wef 18/02/2008]

(3D) In subsections (3A), (3B) and (3C), “relevant development and expansion company” means a development and expansion company which engages in one or more qualifying activities, and oversees, manages or controls the conduct of any activity on a regional or global basis.

[Act 2 of 2013 wef 18/02/2008]

(4) Any tax relief period initially granted to a development and expansion company before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 2004 which exceeds 10 years shall be deemed to have been granted under this section.

[48/2004]

(5) Where a development and expansion company has been granted tax relief under Part IIIA in force immediately before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2004 in respect of any qualifying activity specified in the certificate issued under section 19J(2), the Minister shall, in extending the tax relief period of the company under subsection (1), (2) or (3A), take into account the tax relief period of the company under that Part.

[Act 2 of 2013 wef 18/02/2008]

(6) The Minister shall, in extending the tax relief period of a company to which section 19KA applies, take into account its tax relief period referred to in that section.

[Act 1 of 2012 wef 01/04/2010]

(7) Notwithstanding anything in this section, the tax relief period of a development and expansion company that is deemed to be an approved company for the purposes of section 43ZF of the Income Tax Act (Cap. 134) under regulations made under that section, shall expire on 1st June 2011 and shall not be extended.

[Act 2 of 2013 wef 01/06/2011]
International legal services

19KA.—(1) If a company engaged in international legal services is approved under section 19J(1) as a development and expansion company at any time between 1st April 2010 and 31st March 2015 (both dates inclusive), then —

(a) notwithstanding section 19K(1), (2), (3), (3A) and (3B), the tax relief period of the company is a non-extendable period of 5 years commencing on its commencement day; and

(b) notwithstanding section 19J(5), tax at the rate of 10% shall be levied and paid for each year of assessment upon the expansion income derived by the company during its tax relief period from the provision of international legal services.

(2) This section does not apply to a company approved under section 13V(1) of the Income Tax Act (Cap. 134).

(3) In this section —

“expansion income” has the meaning given to that expression in section 19J;

“international legal services” means any qualifying activity comprising legal services that qualify for zero-rating under section 21(3) of the Goods and Services Tax Act (Cap. 117A).

Certain dividends exempted from income tax

19L.—(1) As soon as any amount of income of a development and expansion company has been subject to tax at the concessionary rate under section 19J, the net amount of the income after deduction of the tax shall be credited to a special account (referred to in this section as the account) to be kept by the company for the purposes of this section.

[36/96]
(2) Where the account is in credit at the date on which any dividends are paid by the development and expansion company out of the net amount of income credited to that account, an amount equal to those dividends or to that credit, whichever is the less, shall be debited to the account.

[36/96]

(3) So much of the amount of any dividends so debited to the account as is received by a shareholder of the development and expansion company shall, if the Comptroller is satisfied with the entries in the account, be exempt from tax in the hands of the shareholder.

[36/96]

(4) Notwithstanding subsections (3) and (7), no dividend paid on any share of a preferential nature shall be exempt from tax under this section in the hands of the shareholder.


(5) Any dividends debited to the account shall be treated as having been distributed to the shareholders of the development and expansion company or any particular class of the shareholders in accordance with the proportion of their shareholdings in the development and expansion company.

[44/2002]

(6) Section 44 of the Income Tax Act (Cap. 134) shall not apply in respect of any dividends or part thereof which are debited to the account.

[36/96]

(7) Where an amount has been received by way of dividends from a company by a shareholder and the amount is exempt from tax under this section, if that shareholder is a company, any dividends paid by that company to its shareholders, to the extent that the Comptroller is satisfied that those dividends are paid out of that amount, shall be exempt from tax in the hands of those shareholders; and section 44 of the Income Tax Act (Cap. 134) shall not apply to any such dividends or part thereof.

[44/2002]
(8) A development and expansion company shall deliver to the Comptroller a copy of the account made up to any date specified by him whenever called upon to do so by notice in writing.

(9) Notwithstanding subsections (1) to (8), where it appears to the Comptroller that —

(a) any income of a development and expansion company which has been subject to tax at the concessionary rate under section 19J or 19KA; or

(b) any dividends which have been exempted from tax in the hands of any shareholder,

ought not to have been so taxed or exempted for any year of assessment, the Comptroller may, subject to section 74 of the Income Tax Act —

(i) make an assessment or additional assessment upon the company or any such shareholder as may be necessary in order to make good any loss of tax; or

(ii) direct the company to debit the account with such amount as the circumstances require.

Ascertainment of income from qualifying activities

19M.—(1) Subject to subsections (2) and (3), the qualifying income of a development and expansion company shall be ascertained in accordance with the provisions of the Income Tax Act after making such adjustments as may be necessary in consequence of any direction given under section 19P.

(2) In determining the qualifying income of a development and expansion company for the basis period for any year of assessment —

(a) the allowances provided for in sections 16 to 22 of the Income Tax Act shall be taken into account notwithstanding that no claim for such allowances has been made;
(b) the allowances referred to in paragraph (a) for that year of assessment shall firstly be deducted against the qualifying income of the company, and any unabsorbed allowances shall be deducted against the other income of the company subject to tax at a different rate of tax under this Act or the Income Tax Act (Cap. 134) in accordance with subsection (3);

(c) the balance, if any, of the allowances after the deduction in paragraph (b) shall be available for deduction for any subsequent year of assessment in accordance with sections 22A and 23 of the Income Tax Act and shall be made in the manner provided in that paragraph;

(d) any loss incurred for that basis period shall be deducted in accordance with subsection (3) against the other income of the company subject to tax at a different rate of tax under this Act or the Income Tax Act;

(e) the balance, if any, of the losses after the deduction in paragraph (d) shall be available for deduction for any subsequent year of assessment in accordance with section 37 of the Income Tax Act firstly against the qualifying income of the company, and any balance of the losses shall be deducted against the other income of the company subject to tax at a different rate of tax under this Act or the Income Tax Act in accordance with subsection (3);

(f) any unabsorbed donation for that year of assessment shall be deducted in accordance with subsection (3) against the other income of the company subject to tax at a different rate of tax under this Act or the Income Tax Act; and

(g) the balance, if any, of the donations after the deduction in paragraph (f) shall be available for deduction for any subsequent year of assessment in accordance with section 37 of the Income Tax Act firstly against the qualifying income of the company, and any balance of the donations shall be deducted against the other income of the company subject to tax at a different rate of tax under this Act or the Income Tax Act.
Act or the Income Tax Act in accordance with subsection (3).

(3) Section 37B of the Income Tax Act shall apply, with the necessary modifications, in relation to—

(a) the deduction of the allowances provided for in sections 16 to 22 of that Act; and

(b) the losses or donations under section 37 of that Act in respect of—

(i) the qualifying income of a development and expansion company; and

(ii) such part of the development and expansion company’s income as is subject to tax at a different rate of tax under this Act or the Income Tax Act (Cap. 134).

(4) For the purpose of the application under subsection (3), any reference in section 37B of the Income Tax Act to income of a company subject to tax at a higher or lower rate of tax or income of the company subject to tax at a higher or lower rate of tax, as the case may be, shall be read as a reference to its qualifying income.

Ascertainment of income from other trade or business

19N.—(1) Where, during its tax relief period, a development and expansion company carries on any trade or business other than its qualifying activities, separate accounts shall be maintained in respect of that other trade or business and in respect of the same accounting period; and the income from that other trade or business shall be computed and assessed in accordance with the Income Tax Act with such adjustments as the Comptroller thinks reasonable and proper.

(2) Where, in the opinion of the Comptroller, the carrying on of such other trade or business is subordinate or incidental to the carrying on of the qualifying activities of the development and expansion company, the income or loss arising from such other trade
or business shall be deemed to form part of the income or loss of the company from its qualifying activities.

**[11/2004]**

### Deduction of losses

19O. The Minister may, in relation to development and expansion companies, by regulations provide for —

(a) the manner in which expenses, capital allowances and donations allowable under the Income Tax Act are to be deducted; and

(b) the deduction of capital allowances, losses and donations otherwise than in accordance with sections 23 and 37 of the Income Tax Act (Cap. 134).

**[11/2004]**

### Power to give directions

19P. For the purposes of this Act and the Income Tax Act, the Comptroller may direct that —

(a) any sum payable to a development and expansion company in its tax relief period which might reasonably and properly have been expected to be payable, in the normal course of business, after the end of that period shall be treated as not having been payable in that period but as having been payable on such date, after that period, as the Comptroller thinks fit; and

(b) any expense incurred by a development and expansion company within one year after the end of its tax relief period which might reasonably and properly have been expected to be incurred, in the normal course of business, during its tax relief period shall be treated as not having been incurred within that year but as having been incurred for the purposes of its qualifying activities and on such date, during its tax relief period, as the Comptroller thinks fit.

**[11/2004]**
PART IV
EXPANSION OF ESTABLISHED ENTERPRISES


PART V
EXPANDING SERVICE COMPANIES


PART VI
PRODUCTION FOR EXPORT

29. to 44. [Repealed by Act 11/2004 wef 28/04/2004]

PART VIA
EXPORT OF SERVICES

44A. [Repealed by Act 33/2010 wef 14/01/2011]
44B. [Repealed by Act 33/2010 wef 14/01/2011]
44C. [Repealed by Act 33/2010 wef 14/01/2011]
44D. [Repealed by Act 33/2010 wef 14/01/2011]
44E. [Repealed by Act 33/2010 wef 14/01/2011]
44F. [Repealed by Act 33/2010 wef 14/01/2011]
44G. [Repealed by Act 33/2010 wef 14/01/2011]
44H. [Repealed by Act 33/2010 wef 14/01/2011]
44I. [Repealed by Act 33/2010 wef 14/01/2011]

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
PART VII
INTERNATIONAL TRADE INCENTIVES


PART VIII*
FOREIGN LOANS FOR PRODUCTIVE EQUIPMENT

Application for and issue of approved foreign loan certificate

57.—(1) Where a company engaged in any industry is desirous of raising a loan of not less than $200,000 from a non-resident person (referred to in this Part as a foreign lender) by means of a financial agreement whereby credit facilities are granted for the purchase of productive equipment for the purposes of its trade or business, the company may apply to the Minister for a certificate certifying that foreign loan to be an approved foreign loan.

(2) The Minister may, where he thinks it expedient to do so, consider an application for a foreign loan certificate in respect of a foreign loan of less than $200,000.

(3) The application shall be in such form and with such particulars as may be prescribed, and shall be accompanied by a copy of the financial agreement.

(4) Where the Minister is satisfied as to the bona fides of such an application and that it is expedient in the public interest to do so, he may issue a certificate certifying the loan specified in the application as an approved foreign loan.

(5) Every certificate issued under subsection (4) shall be in such form and contain such particulars as may be prescribed, and shall be subject to such conditions as the Minister thinks fit.

Restriction on disposal of specified productive equipment

58. Any productive equipment purchased and financed from an approved foreign loan shall not be sold, transferred, or otherwise *From year of assessment 1967.

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
disposed of without the prior written permission of the Minister, unless the loan has been repaid in full.

Exemption of approved foreign loan interest from tax

59.—(1) Notwithstanding section 43(1) of the Income Tax Act (Cap. 134), the Minister may, subject to subsection (2), if he is satisfied that it is expedient in the public interest to do so, by an endorsement to that effect on the approved foreign loan certificate, exempt from tax or authorise that tax at such concessionary rate as specified in the certificate be levied and paid upon any interest on an approved foreign loan payable to a foreign lender.

[1/95]

[53/2007 wef Y/A 2008 and sub Y/A]

(2) Where a company has contravened section 58 or any conditions imposed by the Minister under section 57(5), the amount which, but for subsection (1), would have been deductible by the company from the interest paid by it to the foreign lender under section 45 of the Income Tax Act shall be deemed to have been deducted from that interest and shall be a debt due from the company to the Government and be recoverable in the manner provided by section 89 of the Income Tax Act (Cap. 134).

[1/95]

(3) No action shall be taken by the Comptroller to recover any debt under subsection (2) without the prior sanction of the Minister.

Exemption of additional interest on approved foreign loan from tax

60.—(1) Subject to subsection (3), section 59 shall apply to any additional interest payable on an approved foreign loan by reason of any arrangement whereby the period within which the loan must be repaid in full has been extended.

(2) The rate of interest payable in respect of any such extended period shall not, without the prior sanction of the Minister, be higher than the rate of interest specified in the certificate relating to the approved foreign loan.
(3) Any company making any such arrangement shall give notice thereof in writing to the Minister within 30 days from the date on which the arrangement is made.

PART IX

ROYALTIES, FEES AND DEVELOPMENT CONTRIBUTIONS

Application for and issue of approved royalties, fees or contributions certificate

61.—(1) A company engaged in any industry which is desirous of entering into an agreement or arrangement with a non-resident person whereby royalties or technical assistance fees or contributions to research and development costs are payable to the non-resident person, may apply to the Minister for a certificate certifying those royalties, fees or contributions to be approved royalties, fees or contributions, as the case may be, for the purposes of this Part.

(2) The application shall be in such form containing such particulars as may be prescribed, and shall be accompanied by a copy of the proposed agreement or arrangement certified by the non-resident person.

(3) Where the Minister is satisfied as to the bona fides of any application made under this section and that it is expedient in the public interest to do so, he may issue a certificate in the terms of the application, subject to such conditions as he thinks fit.

Notice of variation of terms of agreement or arrangement

62.—(1) If for any reason any approved royalties, fees or contributions payable by a company cease to become payable before the expiry of the period of agreement or arrangement related thereto, the company shall, within 30 days from the date on which the royalties, fees or contributions cease to become payable, give notice thereof to the Minister.

(2) The company to which a certificate has been issued under section 61 shall not, without the prior sanction of the Minister, amend or otherwise vary the terms of the agreement or arrangement related thereto, except in cases where for the same consideration the amount
of the approved royalties, fees or contributions is to be reduced and in that event the company shall notify the Minister accordingly within 30 days from the date on which the amount is reduced.

**Relief conditional on no increase in foreign tax**

63. [Repealed by Act 1/95]

**Reduction of tax for approved royalties, fees or contributions**

64.—(1) Notwithstanding section 43(1) of the Income Tax Act (Cap. 134), the Minister may, subject to subsection (2), if he is satisfied that it is expedient in the public interest to do so, by an endorsement to that effect on the approved royalties, fees or contributions certificate, exempt from tax or authorise that tax at such concessional rate as specified in the certificate be levied and paid upon any approved royalties, fees or contributions received by a non-resident person.

[1/95]

[53/2007 wef Y/A 2008 and sub Y/A]

(2) Where a company has contravened section 62(2) or any condition imposed by the Minister under section 61(3), the amount of tax which, but for subsection (1), would have been deductible by the company from the royalties, fees or contributions paid by it to the non-resident person under section 45A of the Income Tax Act shall be deemed to have been deducted from the royalties, fees and contributions and shall be a debt due from the company to the Government and shall, with the prior sanction of the Minister, be recoverable in the manner provided by section 89 of the Income Tax Act (Cap. 134).

[1/95]

**Exemption from tax where investment made in approved enterprise**

65. Where, in accordance with section 64, the tax payable on any approved royalties, fees or contributions is at a reduced rate, and it is proved to the satisfaction of the Comptroller that the royalties, fees or contributions, either wholly or in part, have been expended in the acquisition of ordinary share capital in the company from which those
payments were received, the amount of income equal to that expenditure shall be exempt from tax.

PART X
INVESTMENT ALLOWANCES

Interpretation of this Part

66.—(1) In this Part, unless the context otherwise requires —

“approved project” means a project approved by the Minister under section 67(2);

“chargeable concessionary income” means concessionary income after deducting expenses, donations, allowances or losses allowable under the Income Tax Act against the concessionary income;

“chargeable normal income” means normal income after deducting expenses, donations, allowances or losses allowable under the Income Tax Act against the normal income;

“concessionary income” means income subject to tax at the concessionary rate of tax under section 13H, 43A, 43C, 43D, 43E, 43F, 43G, 43H, 43I, 43J, 43K, 43N, 43P, 43Q, 43R, 43S, 43T, 43U, 43V, 43W, 43X, 43Y, 43Z, 43ZA, 43ZB, 43ZC, 43ZD, 43ZE or 43ZF of the Income Tax Act, or the regulations made under any of those provisions, as the case may be;

“concessionary investment allowance” means an investment allowance given to a company for an approved project from which the concessionary income of the company is derived;
“concessionary investment allowance account” means an account kept by a company for the purpose of calculating the amount of concessionary investment allowance granted under this Part;

“construction operations” means —

(a) construction, alteration, repair, extension or demolition of buildings and structures;

(b) construction, alteration, repair, extension or demolition of any works forming, or to form, part of any land; or

(c) any operations which form an integral part of, or are preparatory to, or are for rendering complete the operations described in paragraph (a) or (b) including site clearance, earth-moving excavation, laying of foundations, site restoration, landscaping and the provision of drains and of roadways and other access works;

“fixed capital expenditure” means capital expenditure to be incurred on an approved project by a company on the following items that are used for carrying out the project —

(a) factory building (excluding land) in Singapore and, in relation to any project under section 67(1)(b), (c), (d), (f) or (g), includes a building or structure specially designed for carrying out the project;

(b) the acquisition of any know-how or patent rights; and

(c) any new productive equipment (and, subject to the approval of the Minister, any secondhand productive equipment) to be used in Singapore and, in relation to any project under section 67(1)(h) or (i), includes any productive equipment to be used outside Singapore as approved under section 67(3);


“investment day”, in relation to a company, means the date specified in its certificate as the date from which the company shall qualify for the investment allowance;
“normal income” means income subject to tax at the rate of tax under section 43(1)(a) of the Income Tax Act (Cap. 134);

“normal investment allowance” means an investment allowance given to a company for an approved project from which the normal income of the company is derived;

“normal investment allowance account” means an account kept by a company for the purpose of calculating the amount of normal investment allowance granted under this Part;

“relevant income”, in relation to a company, means any income which —

(a) does not form part of the statutory income of the company or is exempt from tax under the provisions of this Act (other than this Part) or the Income Tax Act (Cap. 134); or

(b) is subject to tax at the concessionary rate under Part IIIA in force immediately before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2004 or IIIB;

“research and development” has the same meaning as in section 2(1) of the Income Tax Act;

“space satellite” means an apparatus placed in orbit relative to the earth for any economic, scientific or technological purpose.

[8/79; 29/80; 17/82; 34/84; 22/87; 1/95; 36/96; 4/98; 44/2002; 11/2004; 48/2004]

(2) For the purposes of this Part, fixed capital expenditure shall not be deemed to be incurred by a company unless —

(a) in the case of any factory building or productive equipment to be constructed or installed on site, the expenditure is attributable to payment against work done in the construction of the building or the construction or installation of the productive equipment;
(b) in the case of any productive equipment, other than that to which paragraph (a) or (c) applies, the company has received delivery of the equipment in Singapore;

(c) in the case of any productive equipment to be used in relation to a project under section 67(1)(h) or (i), the company has received delivery of the equipment.

[8/79; 4/98]

Capital expenditure investment allowance

67.—(1) Where a company proposes to carry out a project —

(a) for the manufacture or increased manufacture of any product;

(b) for the provision of specialised engineering or technical services;

(c) for research and development;

(d) for construction operations;

(e) for reducing the consumption of water;

(f) in relation to any qualifying activity as defined in section 16;

(g) for the promotion of the tourist industry (other than a hotel) in Singapore;

(h) for the operation of any space satellite;

(i) for the provision of maintenance, repair and overhaul services to any aircraft; or

(j) for improving energy efficiency,
the company may apply in the prescribed form to the Minister for the approval of an investment allowance in respect of the fixed capital expenditure for the project.

(2) Where the Minister considers it expedient, having regard to the economic, technical and other merits of the project, he may approve the project and issue the company with a certificate which shall qualify the company for an investment allowance as stipulated in the certificate in respect of the fixed capital expenditure for the approved project subject to such terms and conditions as he thinks fit.

(3) For the purposes of subsection (2), the Minister may approve any investment allowance in respect of the fixed capital expenditure to be incurred on any productive equipment to be used outside Singapore for any project under subsection (1)(h) or (i).

(4) Every certificate issued under this section shall specify a date as the investment day from which the company shall be entitled to an investment allowance under this Part.

(5) The Minister may, in his discretion, upon the application of a company, amend its certificate by substituting for the investment day specified therein such earlier or later date as he thinks fit and thereupon the provisions of this Part shall have effect as if the date so substituted were the investment day in relation to that certificate.

(6) Approval under this section shall only be granted during the following periods to a company in respect of any project under subsection (1)(i):

(a) between 9th September 2004 and 8th September 2009 (both dates inclusive); and

(b) between 1st April 2010 and 31st March 2015 (both dates inclusive).

(7) Approval under this section shall only be granted during the period between 1st April 2010 and 31st March 2015 (both dates
inclusive) to any company in respect of any project under subsection (1)(j).

[33/2010 wef 01/04/2010]

Investment allowance

68.—(1) The investment allowance granted under section 67 shall be a specified percentage, not exceeding 100% of the amount (which may be subject to a specified maximum) of the fixed capital expenditure incurred on each item specified by the Minister under subsection (2) on an approved project if the fixed capital expenditure is incurred —

(a) within such period as the Minister may determine (referred to in this Act as the qualifying period), being a period commencing from the investment day and —

(i) not exceeding 5 years; or

(ii) not exceeding 8 years where the specified item is acquired under a hire-purchase agreement made on or after 15th February 2007; and

[33/2010 wef 15/02/2007]

(b) in the case of a project under section 67(1)(g), within such period (hereinafter referred to as the qualifying period), not exceeding 10 years, commencing from the investment day as the Minister may determine.

[8/79; 17/82; 22/87; 36/96]

(2) The Minister —

(a) shall specify the items of the fixed capital expenditure for the purposes of subsection (1); and

(b) may specify the maximum amount of the investment allowance granted for the approved project.

(3) Where any question arises as to whether a particular item qualifies as one of the items under subsection (2)(a), it shall be determined by the Minister whose decision shall be final.

(4) In subsection (1), “specified” means specified by the Minister.
Crediting of investment allowance

69.—(1) Where in the basis period for a year of assessment a company has incurred fixed capital expenditure, the company shall be given for that year of assessment an investment allowance in respect of such amount of the fixed capital expenditure as qualifies for the investment allowance under the terms and conditions of its certificate and in accordance with section 68.

(2) Notwithstanding subsection (1), no investment allowance shall be given to a company for an approved project from which relevant income of the company is derived.

(3) Where any investment allowance is given to a company for an approved project from which only normal income of the company is derived, the investment allowance shall be credited to an account to be called a “normal investment allowance account” which shall be kept by the company for the purposes of this Part.

(4) Where any investment allowance is given to a company for an approved project from which only concessionary income of the company is derived, the investment allowance shall be credited to an account to be called a “concessionary investment allowance account” which shall be kept by the company for the purposes of this Part.

(5) Where a company derives both normal income and concessionary income at the same time from an approved project, the investment allowance shall be credited wholly to the normal investment allowance account or wholly to the concessionary investment allowance account as the Minister, or such person as he may appoint, may direct.

(6) Notwithstanding subsections (1) to (5), where a company has incurred, on or after 1st January 1996, fixed capital expenditure for a project approved under section 67(1)(e), the Minister may, if he is satisfied that it is expedient in the public interest to do so, direct that an investment allowance be given to the company for such
expenditure, and such investment allowance shall be credited into a normal investment allowance account.

(7) Notwithstanding section 71, as from the relevant date, where the income of a company which is derived from an approved project is subject to tax as concessionary income instead of as normal income —

(a) subject to paragraph (d), any balance in the normal investment allowance account at the end of the basis period for the year of assessment before the transitional year shall only be used for deduction against the chargeable normal income of the company for the transitional year;

(b) where the company has incurred any fixed capital expenditure before the relevant date, any investment allowance given to the company for the fixed capital expenditure shall be credited to the normal investment allowance account;

(c) where the company has incurred any fixed capital expenditure on or after the relevant date, any investment allowance given to the company for the fixed capital expenditure shall be credited to the concessionary investment allowance account; and

(d) the normal investment allowance account for the transitional year shall be debited with the amount of chargeable normal income for the transitional year not exceeding the credit in that account; and any remaining balance in that account for that year shall be debited from that account and credited to the concessionary investment allowance account for use against the chargeable concessionary income of the company for the transitional year and subsequent years of assessment.

(8) Notwithstanding section 71, as from the relevant date, where the income of a company which is derived from an approved project is...
subject to tax as normal income instead of as concessionary income —

(a) subject to paragraph (d), any balance in the concessionary investment allowance account at the end of the basis period for the year of assessment before the transitional year shall only be used for deduction against the chargeable concessionary income of the company for the transitional year;

(b) where the company has incurred any fixed capital expenditure before the relevant date, any investment allowance given to the company for the fixed capital expenditure shall be credited to the concessionary investment allowance account;

(c) where the company has incurred any fixed capital expenditure on or after the relevant date, any investment allowance given to the company for the fixed capital expenditure shall be credited to the normal investment allowance account; and

(d) the concessionary investment allowance account for the transitional year shall be debited with the amount of chargeable concessionary income for the transitional year not exceeding the credit in that account; and any remaining balance in that account for that year shall be debited from that account and credited to the normal investment allowance account for use against the chargeable normal income of the company for the transitional year and subsequent years of assessment.

[1/95]

(9) Notwithstanding section 71(4), where the Comptroller is satisfied that a company has permanently ceased to derive any concessionary income in the basis period for any year of assessment —

(a) the concessionary investment allowance account shall be debited with the amount of chargeable concessionary income of the company for that year of assessment not exceeding the credit in that account;
(b) any remaining balance in the concessionary investment allowance account shall be debited from that account; and

(c) an adjusted amount of any remaining balance referred to in paragraph (b) shall be credited to the normal investment allowance account for use against the chargeable normal income of the company for that year of assessment and subsequent years of assessment, and for this purpose “adjusted amount” means the amount ascertained in accordance with the formula

\[ A \times \frac{B}{C} \]

where \( A \) is the amount of any remaining balance referred to in paragraph (b);

\( B \) is the concessionary rate of tax for that year of assessment at which the concessionary income is subject to tax; and

\( C \) is the rate of tax under section 43(1)(a) of the Income Tax Act (Cap. 134) for that year of assessment.

[1/95]

(10) In this section —

“relevant date” means the date in the basis period relating to any transitional year on which the income of an approved project is subject to tax as concessionary income instead of as normal income, or vice versa;

“transitional year” means any year of assessment relating to the basis period in which the income of an approved project is from the relevant date subject to tax as concessionary income instead of as normal income, or vice versa.

[1/95]
Prohibition to sell, lease out or dispose of assets

70.—(1) During its qualifying period or within 2 years after the end of its qualifying period, a company shall not, without the written approval of the Minister, sell, lease out or otherwise dispose of any assets in respect of which an investment allowance has been given.

(2) Where during its qualifying period, or within 2 years after the end of its qualifying period, a company has sold, leased out or otherwise disposed of any assets in respect of which an investment allowance has been given, an amount equal to the aggregate of the investment allowance given in respect of that asset shall be recovered in the following manner:

(a) where the investment allowance given had been credited to the normal investment allowance account —

(i) the amount shall be deducted from that account; and

(ii) where that account is insufficient to give full effect to the recovery, an assessment or additional assessment in respect of the amount unrecovered shall be made upon the company or any shareholder of the company and the tax exempt account, kept in accordance with section 72, shall be debited accordingly; and

(b) where the investment allowance given had been credited to the concessionary investment allowance account —

(i) the amount shall be deducted from that account; and

(ii) where that account is insufficient to give full effect to the recovery, an assessment or additional assessment in respect of the amount unrecovered shall be made upon the company or any shareholder of the company and the tax exempt account, kept in accordance with section 72, shall be debited accordingly.


(3) Notwithstanding subsection (2), the Minister may waive wholly or partly the recovery of the investment allowance.

[1/95]
Exemption from income tax

71.—(1) Subject to subsection (2), where for any year of assessment a normal investment allowance account of a company is in credit and the company has for that year of assessment any chargeable normal income —

(a) an amount of the chargeable normal income, not exceeding the credit in the normal investment allowance account, shall be exempt from tax and the normal investment allowance account shall be debited with such amount; and

(b) any remaining balance in the normal investment allowance account shall be carried forward to be used by the company in the first subsequent year of assessment when the company has chargeable normal income, and so on for subsequent years of assessment until the credit in the normal investment allowance account has been fully used.

(2) Where, for any year of assessment, a company has any chargeable concessionary income and the normal investment allowance account is in credit, the company may elect for any amount of the chargeable concessionary income, not exceeding the credit in the normal investment allowance account, to be exempt from tax and the normal investment allowance account to be debited with such amount.

(3) A company shall make the election under subsection (2) for any year of assessment at the time of lodgment of the return of income for that year of assessment, except that the election for the year of assessment 1994 shall be made before 1st April 1995.

(4) Where, for any year of assessment, a concessionary investment allowance account of a company is in credit and the company has, for that year of assessment any chargeable concessionary income —

(a) an amount of the chargeable concessionary income, not exceeding the credit in the concessionary investment allowance account, shall be exempt from tax and the
concessionary investment allowance account shall be debited with such amount; and

\[(b)\] any remaining balance in the concessionary investment allowance account shall be carried forward to be used by the company in the first subsequent year of assessment when the company has chargeable concessionary income, and so on for subsequent years of assessment until the credit in the concessionary investment allowance account has been fully used.

\[1/95\]

(5) Any amount of chargeable normal income of a company debited from the normal investment allowance account under section 69(7)(d) or any amount of chargeable concessionary income of a company debited from the concessionary investment allowance account under section 69(8)(d) or (9)(a) shall be exempt from tax.

\[1/95\]

**Certain dividends exempted from income tax**

72.——(1) As soon as any amount of chargeable income of a company which has been granted an investment allowance has become exempt under section 71, that amount shall be credited to a tax exempt account to be kept by the company for the purposes of this Part.

\[48/2004\]

(2) Where a tax exempt account is in credit at the date on which any dividends are paid by a company, out of income which has been so exempted, an amount equal to those dividends or to that credit, whichever is the less, shall be debited to the account.

\[48/2004\]

(3) So much of the amount of any dividends so debited to the tax exempt account as is received by a shareholder of the company shall, if the Comptroller is satisfied with the entries in the account, be exempt from tax in the hands of the shareholder.

\[48/2004\]
(4) Notwithstanding subsections (3) and (7), no dividends paid on any share of a preferential nature shall be exempt from tax under this section in the hands of the shareholder.

[48/2004]

(5) Any dividends debited to the tax exempt account shall be treated as having been distributed to the shareholders of the company or any particular class of the shareholders in accordance with the proportion of their shareholdings in the company.

[48/2004]

(6) The company shall deliver to the Comptroller a copy of the account, made up to a date specified by him, whenever called upon to do so by notice in writing sent by him to its registered office, until such time as he is satisfied that there is no further need for maintaining the account.

[48/2004]

(7) Where an amount has been received by way of dividend from a company by a shareholder and the amount is exempt from tax under this Part, if that shareholder is a company, any dividends paid by that company to its shareholders, to the extent that the Comptroller is satisfied that those dividends are paid out of that amount, shall be exempt from tax in the hands of those shareholders.

[48/2004]

Recovery of tax exempted

73. Notwithstanding any other provisions of this Part, where it appears to the Comptroller that —

(a) any amount of exempted income of a company; or

(b) any dividend exempted in the hands of any shareholder, ought not to have been exempted by reason of the revocation under section 99 of the certificate issued under section 67 to the company, the Comptroller may subject to section 74 of the Income Tax Act (Cap. 134) —

(i) make such assessment or additional assessment upon the company or any such shareholder as may appear to be necessary in order to recover such tax as may have been exempted under this Part; or
(ii) direct the company to debit its tax exempt account with such amount as the circumstances require.

[1/95]

Application of Parts XVII and XVIII of Income Tax Act

74.—(1) Parts XVII and XVIII of the Income Tax Act (relating to assessments, objections and appeals) shall apply, with the necessary modifications, to any direction given under section 73 as if it were a notice of assessment given under those provisions.

(2) Section 44 of the Income Tax Act shall not apply in respect of any dividend or part thereof which is exempted from tax under this Part.

No investment allowance for certain expenditure

74A. No investment allowance shall be granted for any amount of fixed capital expenditure incurred on the acquisition of any know-how, patent rights or productive equipment for which an allowance has been claimed under section 19A(2A), (2B) or (2BAA) or 19B(1A), (1B) or (1BAA) of the Income Tax Act (Cap. 134).

[Act 29/2010 wef Y/A 2011 & Sub Ys/A]

[Act 37 of 2014 wef 27/11/2014]

PART XI
WAREHOUSING AND SERVICING INCENTIVES

75. to 84. [Repealed by Act 11/2004 wef 28/04/2004]

PART XII
INTERNATIONAL CONSULTANCY SERVICES


PART XIII
INVESTMENTS IN NEW TECHNOLOGY COMPANIES


Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
PART XIII A

OVERSEAS INVESTMENT AND VENTURE CAPITAL INCENTIVES


PART XIII B

[Repealed by Act 11 of 2016 wef 25/02/2013]

PART XIII C

ENTERPRISE INVESTMENT INCENTIVE

Interpretation of this Part

97S. In this Part, unless the context otherwise requires —

“eligible investor”, in relation to a start-up company, means a person who holds such qualifying shares in the company as specified in a letter issued by the company to the person under section 97U(2);

“start-up company” means a company approved as a start-up company under section 97T(2).

[44/2002; 48/2004]

Application for and issue of certificate to start-up company

97T.—(1) Any company which —

(a) is incorporated in Singapore and not listed on the Singapore Exchange or elsewhere;
(b) has a paid-up capital of not less than $10,000; and

(c) is solely or primarily engaged in Singapore in innovative and high growth activities with substantial developmental contents in relation to any product, process or service, may make an application to the Minister to be approved as a start-up company.

[44/2002; 48/2004]

(2) Where the Minister is satisfied that the activities of the company are in an area of high growth potential and, if introduced in Singapore, would promote or enhance the economic or technological development of Singapore, the Minister may approve the company as a start-up company for a period not exceeding 5 years and issue a certificate to the company subject to such conditions as he may impose.

[44/2002; 48/2004]

(3) No approval under subsection (2) shall be given on or after 1st September 2009.

[44/2002]

Allotment of qualifying shares by company

97U.—(1) A start-up company may, on or after 27th February 2004, allot to any person shares of the company as qualifying shares if the following conditions are satisfied:

(a) the shares are not shares of a preferential nature;

(b) the purchase price of the shares allotted to the person at any one time is not less than $1,000;

(c) the shares are not shares allotted to or acquired by the person under a share option or share award scheme;

(d) the shares are not acquired by the person through a conversion of any loan or debt securities;

(e) the shares are paid in cash by the person; and

(f) at the time the shares are allotted to the person, the total amount paid to the company for all qualifying shares by eligible investors (including the amount paid for those
shares by that person) has not in the aggregate exceeded $3 million.

(2) Where a start-up company has allotted any qualifying shares under subsection (1) to any person, the company shall issue to the person a letter for the purposes of this Part.

(3) Every letter issued by a start-up company to any person under subsection (2) shall specify —

(a) the date on which the qualifying shares are allotted to the person; and

(b) the number of qualifying shares allotted to the person and the purchase price of such shares.

(4) A start-up company shall keep and maintain records of the persons to whom letters under subsection (2) are issued and such other particulars as may be required by the Minister for the purposes of this section.

(5) Any letter issued under subsection (2) shall not be transferable.

(6) Where a start-up company is listed at any time whether or not during or after the period referred to in section 97T(2) on the Singapore Exchange or elsewhere or where the certificate issued under section 97T(2) to a start-up company is revoked under section 99, any qualifying shares allotted by the company to any person shall, as from the date of such listing or revocation, as the case may be, be deemed not to be qualifying shares and the person shall be deemed not to be an eligible investor.

Deduction of losses allowable to eligible investor

97V.—(1) Subject to this section, where, in any basis period for any year of assessment, any eligible investor has incurred any loss arising from —

(a) the sale of qualifying shares held by him in a start-up company; or
the liquidation of the start-up company,
the loss shall be allowed as a deduction against the statutory income
of the eligible investor for that year of assessment in accordance with
section 37 of the Income Tax Act (Cap. 134) as if the loss were
incurred from a trade or business carried on by the eligible investor.

(2) For the purposes of this section —

(a) any gain made or loss incurred on the sale of any qualifying
share which occurred during the period of less than one
year from the date of allotment to the eligible investor of
such share shall be disregarded;

(b) any gain made or loss incurred on the sale of any qualifying
share, or from the liquidation of the start-up company
which occurred after 6 years from the date of allotment of
such share to the eligible investor shall be disregarded;

(c) no deduction under this section shall be allowed for any
year of assessment unless —

(i) the total losses in respect of the sale of any qualifying
share, or from the liquidation of the start-up
company up to the end of the basis period for that
year of assessment exceed the total gains made in
respect of the sale of any qualifying share, or from
the liquidation of the start-up company up to the end
of that basis period; and

(ii) the Comptroller is satisfied that the loss was not
incurred for the purpose of obtaining a tax
advantage;

(d) the amount of deduction under this section shall not exceed
the excess of the total losses over the total gains referred to
in paragraph (c)(i); and

(e) in computing the gain or loss from the sale of any
qualifying share by an eligible investor, the shares allotted
to him on an earlier date shall be deemed to have been sold
first.
(3) Where in the basis period for any year of assessment an eligible investor makes a gain from the sale of any qualifying share, or from the liquidation of a start-up company and where any loss from the sale of any qualifying share of that start-up company has been allowed as a deduction to the eligible investor under this section for any previous year of assessment, such gain shall, so far as it is not chargeable to tax as a revenue or trading receipt, be deemed to be income of the eligible investor chargeable to tax for that year of assessment, subject to the following provisions:

(a) no gain shall be so deemed to be income unless the total amount of the losses allowed for the previous years of assessment exceed the total amount of the gains deemed to be income for previous years of assessment;

(b) the amount of the gain chargeable to tax shall not exceed the excess of the total amount of the losses allowed for previous years of assessment over the total amount of the gains deemed to be income for previous years of assessment; and

(c) the losses and gains referred to in subsection (2)(a) and (b) shall be disregarded.

[44/2002; 48/2004]

(4) Where in the basis period for any year of assessment an eligible investor incurs a loss from the sale of any qualifying share or from the liquidation of a start-up company and where any gain made from the sale of any qualifying shares of that start-up company, so far as it is not chargeable to tax as a revenue or trading receipt, has not been deemed to be income of the eligible investor chargeable to tax under this section for any previous year of assessment, such loss shall be allowed as a deduction against the statutory income of the eligible investor for that year of assessment under this section subject to the following provisions:

(a) the amount of deduction shall not exceed the excess of the loss over the total amount of gains not deemed to be income for previous years of assessment;

(b) the total amount of gains not deemed to be income for previous years of assessment shall be reduced by the
excess of loss for that basis period over the deduction referred to in paragraph (a); and

(c) the losses and gains referred to in subsection (2)(a) and (b) shall be disregarded.

[44/2002; 48/2004]

(5) For the purposes of this section, the loss shall be the excess of the purchase price of the qualifying shares —

(a) over the proceeds from the sale; and where the value of net asset backing of the start-up company as determined by the Comptroller at the date of sale of such shares is greater than the sale proceeds, that value shall be deemed to be the proceeds from the sale; or

(b) over the proceeds from the liquidation of the start-up company,

as the case may be.

[44/2002; 48/2004]

(6) For the purposes of this section, the gain shall be the excess of —

(a) the proceeds from the sale; and where the value of net asset backing of the start-up company as determined by the Comptroller at the date of sale of such shares is greater than the sale proceeds, that value shall be deemed to be the proceeds from the sale; or

(b) the proceeds from the liquidation of the start-up company,

as the case may be, over the purchase price of the shares.

[44/2002; 48/2004]

(7) Section 37B of the Income Tax Act (Cap. 134) shall not apply to any loss allowed under subsection (1).

[44/2002; 48/2004]

Power of Comptroller to give directions

97W. For the purposes of the Income Tax Act and this Act, the Comptroller may direct that —

(a) any loss incurred in respect of the sale of any qualifying share by an eligible investor on any day during the period
from the first day of the second year to the last day of the sixth year (both dates inclusive) from the date of allotment of such share, which, but for the provisions of this Act, might reasonably and properly have been expected to be incurred in the normal course of business before or after that period, shall be treated as not having been incurred on that day but as having been incurred on such day before or after that period as the Comptroller thinks fit; and

(b) any gain made in respect of the sale of any qualifying share by an eligible investor before the second year or after the sixth year from the date of allotment of such share, which, but for the provisions of this Act, might reasonably and properly have been expected to be made in the normal course of business on any day during the period from the first day of the second year to last day of the sixth year (both dates inclusive) from the date of allotment of such share, shall be treated as not having been made on that day but as having been made on such day during that period as the Comptroller thinks fit.

[44/2002]

Prohibition of other activity

97X. A start-up company shall not, without the written approval of the Minister, carry out any activity other than the activity to which its certificate relates.

[44/2002; 48/2004]

Recovery of tax

97Y. Notwithstanding anything in this Part, where it appears to the Comptroller that any deduction under section 97V ought not to have been given to an eligible investor by reason of a direction made under section 97W or the revocation under section 99 of the certificate issued under section 97T(2) to a start-up company or the loss was incurred for the purpose of obtaining a tax advantage, the Comptroller may, subject to section 74 of the Income Tax Act (Cap. 134), make such assessment or additional assessment upon the
eligible investor as may be necessary in order to recover any tax which should have been payable by the eligible investor.

[Savings provision]

97Z.—(1) Notwithstanding the amendment of sections 97S to 97V, 97X and 97Y by the Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 2004, sections 97S to 97V, 97X and 97Y in force immediately before 27th February 2004 shall continue to apply and have effect to any technopreneur start-up company approved before that date.

(2) In this section, “technopreneur start-up company” means a company approved as a technopreneur start-up company under section 97T(2) in force immediately before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 2004.

PART XIIIID
INTEGRATED INVESTMENT ALLOWANCE

[Interpretation of this Part]

97ZA. In this Part, unless the context otherwise requires —

“approval letter” means a letter issued under section 97ZB(4);

“approved project” means a project approved by the Minister under section 97ZB(2);

“concessionary income” means income subject to tax at a concessionary rate of tax under this Act or the Income Tax Act (Cap. 134), or under the regulations made under any of those Acts;

“fixed capital expenditure”, in relation to any qualifying equipment for an approved project, means capital expenditure (including capital expenditure on alteration to any building incidental to the installation of the qualifying
equipment) to be incurred on the qualifying equipment on or after the investment day for the approved project in question;

“IIA” means an integrated investment allowance given under section 97ZC;

“investment day”, in relation to an approved project, means the date specified in section 97ZB(4)(b) for the project;

“net chargeable concessionary income” means concessionary income after deducting expenses, donations, allowances or losses allowable under the Income Tax Act against the concessionary income, and after deducting investment allowance (if any) under Part X;

“net chargeable normal income” means normal income after deducting expenses, donations, allowances or losses allowable under the Income Tax Act against the normal income, and after deducting investment allowance (if any) under Part X;

“normal income” means income subject to tax at the rate of tax under section 43(1)(a) of the Income Tax Act;

“project company” means the company referred to as such in section 97ZB(1);

“qualifying equipment”, in relation to a company which is issued an approval letter in relation to an approved project to be carried out by that company, means —

(a) any new productive equipment; or

(b) any secondhand productive equipment (other than productive equipment sold and repurchased by the company),

to be provided to and used by a project company solely for manufacturing any product for the first-mentioned company or providing specialised engineering or technical services on behalf of or to the first-mentioned company under the approved project;
“qualifying period”, in relation to any qualifying equipment, means the period specified in section 97ZB(4)(b) for that equipment.

[Act 2 of 2013 wef 17/02/2012]

Application for approval of project

97ZB.—(1) Where a company proposes to carry out a project outside Singapore under which another company (referred to in this Part as the project company) —

(a) is to manufacture or increase the manufacture of any product for the first-mentioned company; or

(b) is to provide specialised engineering or technical services on behalf of or to the first-mentioned company,

the first-mentioned company may apply in the prescribed form to the Minister for an IIA in respect of the fixed capital expenditure to be incurred on qualifying equipment for the project.

(2) Where the Minister considers it expedient to do so, having regard to the economic, technical and other merits of the project, he may approve the project for the purposes of this Part and issue an approval letter to the company which shall qualify the company for an IIA.

(3) The IIA in respect of the fixed capital expenditure for an approved project shall be an amount equal to such percentage (to be specified in the approval letter for the approved project) of the fixed capital expenditure incurred on all qualifying equipment for that approved project, but not exceeding the lower of the following limits:

(a) the fixed capital expenditure incurred on all qualifying equipment for that approved project; or

(b) a sum if specified in the approval letter for that approved project.

(4) Every approval letter issued to a company under subsection (2) in respect of its approved project —
(a) shall specify the qualifying equipment for the approved project, the fixed capital expenditure for which qualifies for the IIA;

(b) shall specify a period (referred to in this Part as the qualifying period) for each qualifying equipment, commencing from a specified date (referred to in this Part as the investment day) and within which the fixed capital expenditure is to be incurred on the qualifying equipment to qualify for the IIA;

(c) shall specify the IIA to be given; and

(d) shall specify such other terms and conditions as the Minister may impose on the approval letter.

(5) The maximum qualifying period for any qualifying equipment shall be —

(a) where the qualifying equipment is not acquired under a hire-purchase agreement — 5 years; and

(b) where the qualifying equipment is acquired under a hire-purchase agreement — 8 years.

(6) The decision as to whether to specify any particular equipment as qualifying equipment shall be at the discretion of the Minister, and his decision shall be final.

(7) The Minister may, in his discretion, upon an application by a company issued with an approval letter, amend the approval letter by substituting for the investment day for the approved project specified therein such earlier or later date as he thinks fit, and thereupon the provisions of this Part shall have effect as if the date so substituted were the investment day in relation to the approved project.

(8) Approval under this section shall only be granted during the period between 17th February 2012 and 28th February 2017 (both dates inclusive).

[Act 2 of 2013 wef 17/02/2012]

Grant of IIA

97ZC.—(1) Subject to subsections (2) and (3), where, in the basis period for any year of assessment, a company has incurred fixed
capital expenditure on any qualifying equipment for an approved project within the qualifying period for that equipment, the company shall be given for that year of assessment an IIA in respect of the fixed capital expenditure subject to the terms and conditions of its approval letter and in accordance with section 97ZB.

(2) An IIA may be given for the fixed capital expenditure incurred on any qualifying equipment if, and only if —

(a) in the case where the qualifying equipment is to be constructed or installed on site, the expenditure is attributable to payment against work done in the construction or installation of the equipment, or in any other case, the project company has received delivery of the equipment;

(b) no allowance has been claimed under section 19A(2A) or (2B) of the Income Tax Act (Cap. 134) in respect of that fixed capital expenditure; and

(c) no investment allowance has been claimed under Part X in respect of that fixed capital expenditure.

(3) An IIA shall ordinarily not be given to a company for any year of assessment for which the company derives from the approved project any income which —

(a) does not form part of the statutory income of the company, or is exempt from tax under the provisions of this Act (other than this Part) or the Income Tax Act; or

(b) is subject to tax at the concessionary rate of tax under Part IIIA in force immediately before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2004 (Act 11 of 2004) or Part IIIB.

(4) The Minister may, in any particular case, allow an IIA to be given to a company in the circumstances referred to in subsection (3), subject to such terms and conditions as he has specified in the approval letter to the company.

[Act 2 of 2013 wef 17/02/2012]
Crediting of IIA

97ZD.—(1) Where any IIA is given to a company for an approved project from which only normal income is derived in any year of assessment, the IIA shall be credited to an account (to be called a normal IIA account) which shall be kept by the company for the purposes of this Part.

(2) Where any IIA is given to a company for an approved project from which only concessionary income is derived in any year of assessment, the IIA shall be credited to an account (to be called a concessionary IIA account) which shall be kept by the company for the purposes of this Part.

(3) Where a company derives both normal income and concessionary income from an approved project in any year of assessment, the IIA shall be credited wholly to a normal IIA account or wholly to a concessionary IIA account as the Minister, or such person as he may appoint, may direct.

(4) The direction under subsection (3) may be given to a company at any time from (and including) the date of the approval letter issued to the company.

[Act 2 of 2013 wef 17/02/2012]

Exemption from income tax: general

97ZE.—(1) Subject to subsection (2) and section 97ZF, where for any year of assessment, the normal IIA account of a company is in credit and the company has, for that year of assessment, any net chargeable normal income —

(a) an amount of the net chargeable normal income, not exceeding the credit in the account, shall be exempt from tax and the account shall be debited with such amount; and

(b) any remaining balance in the account shall be carried forward to be used in the manner referred to in paragraph (a) for every subsequent year of assessment when the company has net chargeable normal income, until the credit in the account has been fully used up.
(2) Where, for any year of assessment, the company has any net chargeable concessionary income and the normal IIA account is in credit, the company may elect for any amount of the net chargeable concessionary income, not exceeding the credit in the account, to be exempt from tax and the account to be debited with such amount, and if the company so elects, that amount of income shall be so exempt from tax and the account shall be so debited.

(3) A company shall make the election under subsection (2) for any year of assessment at the time of lodgment of the return of income for that year of assessment.

(4) Subject to section 97ZG, where for any year of assessment, the concessionary IIA account of a company is in credit and the company has, for that year of assessment, any net chargeable concessionary income —

(a) an amount of the net chargeable concessionary income, not exceeding the credit in the account, shall be exempt from tax and the account shall be debited with such amount; and

(b) any remaining balance in the account shall be carried forward to be used in the manner referred to in paragraph (a) for every subsequent year of assessment when the company has net chargeable concessionary income, until the credit in the account has been fully used up.

(5) Where the Comptroller is satisfied that a company has permanently ceased to derive any concessionary income in the basis period for any year of assessment —

(a) the concessionary IIA account shall be debited with the amount of net chargeable concessionary income or the credit in the account, whichever is the less, for that year of assessment;

(b) any remaining balance in the concessionary IIA account shall be debited from that account; and

(c) an adjusted amount of any remaining balance referred to in paragraph (b) shall be credited to the normal IIA account to be used in accordance with subsection (1) for every
subsequent year of assessment when the company has net chargeable normal income, until the credit in the account has been fully used up.

(6) In subsection (5)(c), “adjusted amount” means the amount ascertained by the formula —

\[ A \times \frac{B}{C}, \]

where \( A \) is the amount of any remaining balance referred to in subsection (5)(b);

\( B \) is the concessionary rate of tax for the year of assessment referred to in subsection (5) at which the concessionary income is subject to tax; and

\( C \) is the rate of tax under section 43(1)(a) of the Income Tax Act (Cap. 134) for the year of assessment referred to in subsection (5).

(7) Any amount of net chargeable concessionary income of a company debited from the concessionary IIA account under subsection (5)(a) shall be exempt from tax.

[Act 2 of 2013 w.e.f. 17/02/2012]

**Exemption from income tax where company derives normal income or mixed income before a date, and concessionary income from that date**

**97ZF.**—(1) Notwithstanding section 97ZE(1) to (4), this section shall apply where —

(a) the company derives normal income or both normal income and concessionary income from an approved project before a date (referred to in this section as the relevant date) in the basis period for a year of assessment (referred to in this section as the transitional year);

(b) in the case where the company derives both normal income and concessionary income from the approved project before the relevant date, the Minister, or such person as he may appoint, has directed under section 97ZD(3) for
any IIA given for any fixed capital expenditure on any qualifying equipment for the project to be credited wholly to the normal IIA account; and

(c) the company derives concessionary income from the approved project commencing from the relevant date to the end of the basis period for the transitional year.

(2) Subject to subsection (5), any credit in the normal IIA account at the end of the basis period for the year of assessment immediately before the transitional year shall be debited with the amount of net chargeable normal income of the company for the transitional year.

(3) Where the company has incurred any fixed capital expenditure on any qualifying equipment before the relevant date in the basis period for the transitional year, any IIA given to the company for the fixed capital expenditure for the transitional year shall be credited to the normal IIA account.

(4) Where the company has incurred any fixed capital expenditure on any qualifying equipment on or after the relevant date in the basis period for the transitional year, any IIA given to the company for the fixed capital expenditure for the transitional year shall be credited to the concessionary IIA account.

(5) The normal IIA account shall be debited with the amount of net chargeable normal income of the company for the transitional year or the credit in that account, whichever is the less; and any remaining balance in that account shall be debited from that account and credited to the concessionary IIA account to be used in accordance with section 97ZE(4) for the transitional year and every subsequent year of assessment when the company has net chargeable concessionary income, until the credit in the concessionary IIA account has been fully used up.

(6) Any amount of net chargeable normal income of a company debited from the normal IIA account under subsection (2) or (5) shall be exempt from tax.

[Act 2 of 2013 wef 17/02/2012]
Exemption from income tax where company derives
cconcessionary income or mixed income before a date, and
normal income from that date

97ZG.—(1) Notwithstanding section 97ZE(1) to (4), this section
shall apply where —

(a) the company derives concessionary income or both normal
income and concessionary income from an approved
project before a date (referred to in this section as the
relevant date) in the basis period for a year of assessment
(referred to in this section as the transitional year);

(b) in the case where the company derives both normal income
and concessionary income from an approved project before
the relevant date, the Minister, or such person as he may
appoint, has directed under section 97ZD(3) for any IIA
given for any fixed capital expenditure on any qualifying
equipment for the project to be credited wholly to the
concessionary IIA account; and

(c) the company derives normal income from the approved
project commencing from the relevant date to the end of
the basis period for the transitional year.

(2) Subject to subsection (5), any credit in the concessionary IIA
account at the end of the basis period for the year of assessment
immediately before the transitional year shall be debited with the
amount of net chargeable concessionary income of the company for
the transitional year.

(3) Where the company has incurred any fixed capital expenditure
on any qualifying equipment before the relevant date in the basis
period for the transitional year, any IIA given to the company for the
fixed capital expenditure for the transitional year shall be credited to
the concessionary IIA account.

(4) Where the company has incurred any fixed capital expenditure
on any qualifying equipment on or after the relevant date in the basis
period for the transitional year, any IIA given to the company for the
fixed capital expenditure for the transitional year shall be credited to
the normal IIA account.
(5) The concessionary IIA account shall be debited with the amount of net chargeable concessionary income for the transitional year or the credit in that account, whichever is the less; and any remaining balance in that account shall be debited from that account and credited to the normal IIA account to be used in accordance with section 97ZE(1), (2) and (3) for the transitional year and every subsequent year of assessment when the company has net chargeable normal income or net chargeable concessionary income, until the credit in the normal IIA account has been fully used up.

(6) Any amount of net chargeable concessionary income of a company debited from the concessionary IIA account under subsection (2) or (5) shall be exempt from tax.

Prohibition against selling, leasing out or disposing of qualifying equipment

97ZH.—(1) A company shall not, without the written approval of the Minister, sell, lease out (except to the project company) or otherwise dispose of any qualifying equipment in respect of which an IIA has been given to the company, during the qualifying period of the equipment and within 2 years after the end of such qualifying period.

(2) Where the company has contravened subsection (1), an amount equal to the aggregate of the IIA given in respect of that qualifying equipment shall be recovered in the following manner:

(a) where the IIA given had been credited to the normal IIA account —

(i) the amount of the IIA shall be deducted from that account; and

(ii) where the credit in that account is insufficient to enable full recovery of the IIA, an assessment or additional assessment in respect of the shortfall shall, subject to section 74 of the Income Tax Act (Cap. 134), be made upon the company; and

(b) where the IIA given had been credited to the concessionary IIA account —
(i) the amount of the IIA shall be deducted from that account; and

(ii) where the credit in that account is insufficient to enable full recovery of the IIA, an assessment or additional assessment in respect of the shortfall shall, subject to section 74 of the Income Tax Act, be made upon the company.

(3) The Minister may waive, wholly or partly, the recovery of the IIA under subsection (2).

[Act 2 of 2013 wef 17/02/2012]

Recovery of tax

97ZI. Notwithstanding any other provisions in this Part, where it appears to the Comptroller that any income of a company exempted under section 97ZE, 97ZF or 97ZG ought not to have been exempted by reason of a revocation under section 99 of the approval letter issued under section 97ZB to the company, the Comptroller may, subject to section 74 of the Income Tax Act (Cap. 134), make such assessment or additional assessment upon the company as may be necessary in order to recover the tax so exempted.

[Act 2 of 2013 wef 17/02/2012]

Application of Parts XVII and XVIII of Income Tax Act

97ZJ. Parts XVII and XVIII of the Income Tax Act (Cap. 134) (relating to assessments, objections and appeals) shall apply, with the necessary modifications, to any assessment or additional assessment given under section 97ZI as if it were a notice of assessment given under those provisions.

[Act 2 of 2013 wef 17/02/2012]

PART XlllE

97ZF. [Repealed by Act 33/2010 wef 14/01/2011]

97ZG. [Repealed by Act 33/2010 wef 14/01/2011]

97ZH. [Repealed by Act 33/2010 wef 14/01/2011]

97ZI. [Repealed by Act 33/2010 wef 14/01/2011]
PART XIV

MISCELLANEOUS PROVISIONS

Prohibition of publication of application and certificate or letter

98.—(1) The contents of any application made by, or of any certificate or letter issued to, any company under any of the provisions of this Act shall not, except at the instance of the company, be published.


(2) The Minister may cause to be published by notification in the Gazette the name of any company to which any such certificate or letter has been issued or whose certificate or letter has been revoked, and the industry and product or produce to which the certificate or letter relates.


Revocation of certificate or letter

99.—(1) Where the Minister is satisfied that any company to which a certificate or letter has been issued under the provisions of this Act has contravened —

(a) any of the provisions of this Act; or

(b) any terms or conditions imposed on the certificate or letter,
he may, by notice in writing, require the company within 30 days from the date of service of the notice to show cause why the certificate or letter should not be revoked.


(2) If the Minister is satisfied that, having regard to all the circumstances of the case it is expedient to do so, he may revoke the certificate or letter.


(3) Where a certificate or letter is revoked under subsection (2), the Minister shall specify the date, which may be the date of the certificate or letter, from which its revocation shall be operative and the provisions of this Act shall cease to have effect in relation to the certificate or letter from that date.


Provisions of Income Tax Act not affected

100. Except as otherwise provided, nothing in this Act shall exempt any company to which a certificate has been issued under the provisions of this Act from making any return to the Comptroller or from complying with the provisions of the Income Tax Act (Cap. 134) in any respect so as to establish the liability to tax, if any, of the company.

Action of officers no offence

101. Nothing done by an officer of the Government in the course of his duties shall be deemed to be an offence under this Act.

[107]

Regulations

102.—(1) The Minister may make such regulations as may be necessary or expedient for the purpose of carrying out the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Minister may make regulations for or with respect to all or any of the following matters:

(a) any matters required by this Act to be prescribed;
(b) the procedure relating to applications for and the issue of certificates under this Act;

(c) the terms and conditions to be imposed on any certificate issued under this Act; and

(d) the furnishing of such information, including progress and sales reports and statements of accounts, as may be required for the purposes of this Act.

(3) The Minister may in writing authorise any person or authority to prescribe such forms as are required to be or may be prescribed under this Act.

(4) All regulations made under this section shall be presented to Parliament as soon as possible after publication in the Gazette.

Savings provision

103. Notwithstanding the repeal of Parts IIIA, IV, XI and XIII A by the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2004, the repealed Parts IIIA, IV, XI and XIII A shall continue to apply to and have effect on any approved company approved before and its qualifying activities conducted before the date of commencement of the Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2004 as if that Act had not been enacted.

Consequential provision arising from abolition of imputation system

104. The following provisions shall cease to have effect from 1st January 2008:

(a) sections 14(1) to (6), (9) and (10), 19L(1) to (8), 72, 74(2) and 97Q(1) to (7) and (10); and

[Act 2 of 2013 wef 14/01/2011]
(b) paragraphs (i) (in relation to paragraph (b)) and (ii) of sections 14(7), 19(9), 73 and 97Q(8).

[53/2007 wef 01/01/2008]
[Act 2 of 2013 wef 14/01/2011]
This Legislative History is provided for the convenience of users of the Economic Expansion Incentives (Relief from Income Tax) Act. It is not part of the Act.

1. **Act 36 of 1967 — Economic Expansion Incentives (Relief from Income Tax) Act 1967**
   
   Date of First Reading : 14 November 1967  
   (Bill No. 32/67 published on 17 November 1967)  
   Date of Second and Third Readings : 5 December 1967  
   Date of commencement : 15 December 1967

   
   Date of First Reading : 26 June 1970  
   Date of Second and Third Readings : 19 August 1975  
   Date of commencement : 10 November 1970

   
   Date of First Reading : 29 July 1975  
   (Bill No. 39/75 published on 5 August 1975)  
   Date of Second and Third Readings : 19 August 1975  
   Date of commencement : 1 September 1975

4. **Act 8 of 1979 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 1979**
   
   Date of First Reading : 5 March 1979  
   (Bill No. 10/79 published on 12 March 1979)  
   Date of Second and Third Readings : 30 March 1979  
   Date of commencement : 20 April 1979

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
5. **Act 32 of 1979 — Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 1979**

   Date of First Reading : 21 September 1979  
   (Bill No. 34/79 published on 25 September 1979)

   Date of Second and Third Readings : 11 December 1979  
   Date of commencement : 28 December 1979


   Date of First Reading : 31 October 1980  
   (Bill No. 28/80 published on 7 November 1980)

   Date of Second and Third Readings : 28 November 1980  
   Date of commencement : 4 December 1980


   Date of First Reading : 27 July 1982  
   (Bill No. 19/82 published on 4 August 1982)

   Date of Second and Third Readings : 31 August 1982  
   Date of commencement : 10 September 1982

8. **Act 34 of 1984 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 1984**

   Date of First Reading : 24 August 1984  
   (Bill No. 29/84 published on 31 August 1984)

   Date of Second and Third Readings : 19 October 1984  
   Date of commencement : 30 November 1984

9. **Act 37 of 1984 — Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 1984**

   Date of First Reading : 19 October 1984  
   (Bill No. 32/84 published on 27 October 1984)

   Date of Second and Third Readings : 20 November 1984  
   Date of commencement : 7 December 1984

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015

Date of First Reading : 28 July 1987
(Bill No. 14/87 published on 30 July 1987)

Date of Second and Third Readings : 31 August 1987

Date of commencement : 18 September 1987 and other dates (see section 1 of the Act)


Date of First Reading : 13 March 1989
(Bill No. 23/89 published on 14 March 1989)

Date of Second and Third Readings : 7 April 1989

Date of commencement : 21 April 1989


Date of First Reading : 28 June 1991
(Bill No. 22/91 published on 29 June 1991)

Date of Second and Third Readings : 29 July 1991

Date of commencement : 16 August 1991


Date of First Reading : 12 October 1993
(Bill No. 30/93 published on 13 October 1993)

Date of Second and Third Readings : 10 November 1993

Date of commencement : 26 November 1993 (except section 5)
1 April 1993 (section 5)


Date of First Reading : 31 October 1994
(Bill No. 26/94 published on 1 November 1994)

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
Date of Second and Third Readings : 23 January 1995
Date of commencement : 10 February 1995 and other
dates (see section 1 of the Act)

(Consequential amendments made by)

Date of First Reading : 25 May 1995
                        (Bill No. 19/95 published on
                        26 May 1995)
Date of Second and Third Readings : 7 July 1995
Date of commencement : 1 December 1995

16. **1996 Revised Edition — Economic Expansion Incentives (Relief from
Income Tax) Act**

Date of operation : 30 April 1996

17. **Act 36 of 1996 — Economic Expansion Incentives (Relief from Income
Tax) (Amendment) Act 1996**

Date of First Reading : 1 October 1996
                        (Bill No. 32/96 published on
                        1 October 1996)
Date of Second and Third Readings : 10 October 1996
Date of commencement : 25 October 1996

18. **Act 4 of 1998 — Economic Expansion Incentives (Relief from Income
Tax) (Amendment) Act 1998**

Date of First Reading : 14 January 1998
                        (Bill No. 7/98 published on
                        15 January 1998)
Date of Second and Third Readings : 19 February 1998
Date of commencement : 11 July 1997

19. **Act 44 of 2002 — Economic Expansion Incentives (Relief from Income
Tax) (Amendment) Act 2002**

Date of First Reading : 25 November 2002
                        (Bill No. 46/2002 published on
                        26 November 2002)
Date of Second and Third Readings : 5 December 2002
Date of commencement : 1 June 2001

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
20. 2001 Revised Edition — Economic Expansion Incentives (Relief from Income Tax) Act

Date of operation : 31 July 2001


Date of First Reading : 25 November 2002
(Bill No. 46/2002 published on 26 November 2002)

Date of Second and Third Readings : 5 December 2002

Date of commencement : 3 May 2002


Date of First Reading : 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings : 20 April 2004

Date of commencement : 27 November 2002


Date of First Reading : 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings : 20 April 2004

Date of commencement : 10 December 2002


Date of First Reading : 25 November 2002
(Bill No. 46/2002 published on 26 November 2002)

Date of Second and Third Readings : 5 December 2002

Date of commencement : 20 December 2002

Date of First Reading : 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings : 20 April 2004

Date of commencement : 20 December 2002


Date of First Reading : 25 November 2002
(Bill No. 46/2002 published on 26 November 2002)

Date of Second and Third Readings : 5 December 2002

Date of commencement : 1 January 2003


Date of First Reading : 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings : 20 April 2004

Date of commencement : 1 March 2003

(Consequential amendments made by)

Date of First Reading : 10 March 2003
(Bill No. 6/2003 published on 11 March 2003)

Date of Second and Third Readings : 21 March 2003

Date of commencement : 1 April 2003


Date of First Reading : 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings : 20 April 2004

Date of commencement : 1 June 2003

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015

Date of First Reading: 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings: 20 April 2004

Date of commencement: 1 January 2004


Date of First Reading: 19 October 2004
(Bill No. 56/2004 published on 20 October 2004)

Date of Second and Third Readings: 17 November 2004

Date of commencement: 27 February 2004


Date of First Reading: 27 February 2004
(Bill No. 7/2004 published on 28 February 2004)

Date of Second and Third Readings: 20 April 2004

Date of commencement: 28 April 2004


Date of First Reading: 22 January 2007
(Bill No. 2/2007 published on 23 January 2007)

Date of Second and Third Readings: 12 February 2007

Date of commencement: 9 September 2004

34. Act 48 of 2004 — Economic Expansion Incentives (Relief from Income Tax) (Amendment No. 2) Act 2004

Date of First Reading: 19 October 2004
(Bill No. 56/2004 published on 20 October 2004)

Date of Second and Third Readings: 17 November 2004

Date of commencement: 25 November 2004

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
35. **2005 Revised Edition — Economic Expansion Incentives (Relief from Income Tax) Act**

   Date of operation: 31 March 2005

36. **Act 33 of 2010 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2010**

   Date of First Reading: 18 October 2010  
   (Bill No. 28/2010 published on 18 October 2010)

   Date of Second and Third Readings: 22 November 2010

   Date of commencement: 15 February 2007 (section 4)

37. **Act 53 of 2007 — Income Tax (Amendment No. 2) Act 2007**

   Date of First Reading: 22 October 2007  
   (Bill No. 43/2007 published on 22 October 2007)

   Date of Second and Third Readings: 12 November 2007

   Date of commencement: 1 March 2007

38. **Act 14 of 2007 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2007**

   Date of First Reading: 22 January 2007  
   (Bill No. 2/2007 published on 22 January 2007)

   Date of Second and Third Readings: 12 February 2007

   Dates of commencement: 5 March 2007 (section 2(a) and (b))


   Date of First Reading: 22 October 2007  
   (Bill No. 43/2007 published on 22 October 2007)

   Date of Second and Third Readings: 12 November 2007

   Date of commencement: 1 January 2008

40. **Act 2 of 2013 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2013**

   Date of First Reading: 12 November 2012 (Bill No. 39/2012 published on 12 November 2012)

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
Date of Second and Third Readings : 14 January 2013
Date of commencement : 18 February 2008 (Sections 3(a) and (b) and 4)

Date of First Reading : 20 October 2008
(Bill No. 30/2008 published on 20 October 2008)
Date of Second and Third Readings : 18 November 2008
Date of commencement : 1 April 2008

42. Act 29 of 2010 — Income Tax (Amendment) Act 2010
(Consequential amendments made to Act by)
Date of First Reading : 15 September 2010
(Bill No. 23/2010 published on 15 September 2010)
Date of Second and Third Readings : 18 October 2010
Date of commencement : 23 February 2010

43. Act 29 of 2010 — Income Tax (Amendment) Act 2010
(Consequential amendments made to Act by)
Date of First Reading : 15 September 2010
(Bill No. 23/2010 published on 15 September 2010)
Date of Second and Third Readings : 18 October 2010
Date of commencement : 1 April 2010

44. Act 1 of 2012 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2012
Date of First Reading : 21 November 2011
(Bill No. 21/2011 published on 21 November 2011)
Date of Second and Third Readings : 18 January 2012
Date of commencement : 1 April 2010

45. Act 33 of 2010 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2010
Date of First Reading : 18 October 2010
(Bill No. 28/2010) published on 18 October 2010

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
Date of Second and Third Readings : 22 November 2010
Date of commencement : 1 April 2010 (section 3)

46. Act 33 of 2010 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2010

Date of First Reading : 18 October 2010
(Bill No. 28/2010) published on 18 October 2010
Date of Second and Third Readings : 22 November 2010
Date of commencement : 14 January 2011 (with the exception of sections 3 and 4)

47. Act 2 of 2013 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2013

Date of First Reading : 12 November 2012
(Bill No. 39/2012 published on 12 November 2012)
Date of Second and Third Readings : 14 January 2013
Date of commencement : 14 January 2011 (Section 6)

(Consequential amendments made by)

Date of First Reading : 17 October 2011
(Bill No. 14/2011 published on 17 October 2011)
Date of Second and Third Readings : 22 November 2011
Date of commencement : 1 June 2011

49. Act 2 of 2013 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2013

Date of First Reading : 12 November 2012 (Bill No. 39/2012 published on 12 November 2012)
Date of Second and Third Readings : 14 January 2013
Date of commencement : 1 June 2011
50. Act 2 of 2013 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2013

Date of First Reading : 12 November 2012 (Bill No. 39/2012 published on 12 November 2012)

Date of Second and Third Readings : 14 January 2013

Date of commencement : 17 February 2012


Date of First Reading : 21 November 2011 (Bill No. 21/2011 published on 21 November 2011)

Date of Second and Third Readings : 18 January 2012

Date of commencement : 29 February 2012

52. Act 2 of 2013 — Economic Expansion Incentives (Relief from Income Tax) (Amendment) Act 2013

Date of First Reading : 12 November 2012 (Bill No. 39/2012 published on 12 November 2012)

Date of Second and Third Readings : 14 January 2013

Date of commencement : 29 February 2012 (Section 2))


Date of First Reading : 16 September 2013 (Bill No. 14/2013 published on 16 September 2013)

Date of Second and Third Readings : 21 October 2013

Date of commencement : 25 February 2013


Date of First Reading : 7 October 2014 (Bill No. 33/2014 published on 7 October 2014)

Date of Second and Third Readings : 3 November 2014

Date of commencement : 27 November 2014

Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
### COMPARATIVE TABLE

**ECONOMIC EXPANSION INCENTIVES (RELIEF FROM INCOME TAX) ACT**  
(CHAPTER 86)

The following provisions in the 2001 Revised Edition of the Economic Expansion Incentives (Relief from Income Tax) Act have been renumbered by the Law Revision Commissioners in this 2005 Revised Edition.

This Comparative Table is provided for the convenience of users. It is not part of the Economic Expansion Incentives (Relief from Income Tax) Act.

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<td>43— Powers of search, seizure and arrest by officers of customs <em>(Repealed by Act 11/2004)</em></td>
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<td>44— Offences under other laws deemed to be an offence under this Act <em>(Repealed by Act 11/2004)</em></td>
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Informal Consolidation – version in force from 27/11/2014 to 24/2/2015
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The following provisions in the 1996 Revised Edition of the Economic Expansion Incentives (Relief from Income Tax) Act were renumbered by the Law Revision Commissioners in this 2001 Revised Edition.

This Comparative Table is provided for the convenience of users. It is not part of the Economic Expansion Incentives (Relief from Income Tax) Act.

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