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**No. S 263**

INCOME TAX ACT  
(CHAPTER 134)

INCOME TAX  
(EXEMPTION OF INCOME OF FOREIGN TRUSTS)  
(AMENDMENT) REGULATIONS 2013

In exercise of the powers conferred by section 13G of the Income Tax Act, the Minister for Finance hereby makes the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Income Tax (Exemption of Income of Foreign Trusts) (Amendment) Regulations 2013 and shall be deemed to have come into operation on 17th February 2012.

**Amendment of regulation 2**

2. Regulation 2 of the Income Tax (Exemption of Income of Foreign Trusts) Regulations (Rg 24) is amended —

- (a) by inserting, immediately after the words “(G.N. No. S 6/2010)” in the definition of “designated investments”, the words “, with references to “prescribed person” therein modified to refer to the eligible holding company or foreign trust referred to in regulation 3, as the case may be”; and
- (b) by deleting the definition of “specified income” and substituting the following definition:

““specified income” means —

- (a) in relation to income derived before 17th February 2012, income specified in Part A of the Schedule; and

(b) in relation to income derived on or after 17th February 2012, income specified in Part B of the Schedule;”.

### **New Schedule**

3. The Income Tax (Exemption of Income of Foreign Trusts) Regulations are amended by inserting, immediately after regulation 7, the following Schedule:

“THE SCHEDULE

Regulation 2

PART A

SPECIFIED INCOME IN RELATION TO INCOME  
DERIVED BEFORE 17TH FEBRUARY 2012

The following income:

- (a) interest and dividends derived from outside Singapore and received in Singapore in respect of any designated investments;
- (b) interest derived from deposits with and certificates of deposit issued by banks approved under section 13(16) of the Act and from Asian Dollar Bonds approved under section 13(1)(v) of the Act;
- (c) rents, royalties, premiums and any other profits arising from property that are derived from outside Singapore and received in Singapore on or after 1st June 2003;
- (d) gains or profits realised from the sale of any designated investments, or realised on or after 1st June 2003 from the sale of any property, the income (if any) from which falls within paragraph (c) of this Part;
- (e) gains or profits arising from transactions referred to in paragraphs (c), (k), (l), (p), (q) and (r) of Part A of the First Schedule to the Income Tax (Exemption of Income of Non-residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (G.N. No. S 6/2010);
- (f) fees and compensatory payments derived on or after 27th February 2004 from securities lending or repurchase arrangements with —
  - (i) a person who is neither a resident of nor a permanent establishment in Singapore;
  - (ii) the Monetary Authority of Singapore;
  - (iii) a bank licensed under the Banking Act (Cap. 19);

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- (iv) a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
  - (v) a finance company licensed under the Finance Companies Act (Cap. 108);
  - (vi) a holder of a capital markets services licence licensed to carry on business in the following regulated activities under the Securities and Futures Act (Cap. 289) or a company exempted under that Act from holding such a licence:
    - (A) dealing in securities (other than any person licensed under the Financial Advisers Act (Cap. 110));
    - (B) fund management;
    - (C) securities financing; or
    - (D) providing custodial services for securities;
  - (vii) a collective investment scheme or closed-end fund as defined in the Securities and Futures Act that is constituted as a corporation;
  - (viii) the Central Depository (Pte) Limited;
  - (ix) an insurer registered or regulated under the Insurance Act (Cap. 142) or exempted under that Act from being registered or regulated; or
  - (x) a trust company registered under the Trust Companies Act (Cap. 336);
- (g) discounts derived from outside Singapore and received in Singapore on or after 27th February 2004;
- (h) discounts from qualifying debt securities which —
- (i) are issued during the period from 27th February 2004 to 16th February 2006 (both dates inclusive) and which mature within one year from the date of issue of those securities; or
  - (ii) are issued during the period from 17th February 2006 to 31st December 2013 (both dates inclusive);
- (i) interest derived on or after 27th February 2004 from qualifying debt securities;
- (j) distributions from foreign unit trusts derived from outside Singapore and received in Singapore on or after 27th February 2004;

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- (k) break cost, prepayment fee or redemption premium from qualifying debt securities issued during the period from 15th February 2007 to 31st December 2013 (both dates inclusive);
  - (l) gains or profits realised on or after 22nd January 2009 upon the maturity, redemption or transfer of both legal and beneficial ownership (other than sale or by way of a securities lending and repurchase arrangement) of any designated investments; and
  - (m) amounts payable from any Islamic debt securities issued on or after 22nd January 2009 which are qualifying debt securities.

## PART B

SPECIFIED INCOME IN RELATION TO  
INCOME DERIVED ON OR AFTER 17TH FEBRUARY 2012

The following income:

- (a) any income specified in Part B of the Second Schedule to the Income Tax (Exemption of Income of Non-residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (G.N. No. S 6/2010).”.

*[G.N. Nos. S 350/2003; S 590/2005; S 95/2006;  
S 694/2007; S 397/2008; S 499/2010]*

Made this 19th day of April 2013.

LIM SOO HOON  
*Permanent Secretary  
(Finance) (Performance),  
Ministry of Finance,  
Singapore.*

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