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No. S 514

INCOME TAX ACT
(CHAPTER 134)

INCOME TAX (EXEMPTION OF INTEREST AND OTHER
PAYMENTS ON ECONOMIC AND TECHNOLOGICAL
DEVELOPMENT LOANS) (NO. 3) NOTIFICATION 2016

ARRANGEMENT OF PARAGRAPHS

Paragraph

1. Citation and commencement
 2. Exemption
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In exercise of the powers conferred by section 13(4) of the Income Tax Act, the Minister for Finance makes the following Notification:

Citation and commencement

1. This Notification is the Income Tax (Exemption of Interest and Other Payments on Economic and Technological Development Loans) (No. 3) Notification 2016 and is deemed to have come into operation on 28 May 2015.

Exemption

2.—(1) The interest payable from 28 May 2015 to 29 September 2015 (both dates inclusive) by China Ore Shipping Pte Ltd to —

- (a) Cosco Investments Limited in respect of a loan amount of US\$181,560,000 under a loan agreement dated 28 May 2015 (called in this paragraph the Cosco loan agreement); and
- (b) China Shipping Development (HK) Marine Co., Ltd in respect of a loan amount of US\$174,440,000 under a loan agreement dated 28 May 2015 (called in this paragraph the China Shipping loan agreement),

for the purposes of acquiring the vessels “Yuan Zhen Hai”, “Yuan Jian Hai”, “Yuan Shi Hai” and “Yuan Zhuo Hai”, is exempt from tax.

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- (2) The exemption under sub-paragraph (1) —
- (a) is subject to the conditions specified in the letter of approval dated 7 July 2016 issued by the Ministry of Finance and addressed to the Maritime Port Authority of Singapore and the Inland Revenue Authority of Singapore; and
 - (b) does not apply —
 - (i) in the case of the Cosco loan agreement, to interest payable after the earliest of the following:
 - (A) 29 September 2015;
 - (B) the date of termination of the Cosco loan agreement;
 - (C) the date on which China Ore Shipping Pte Ltd transfers or disposes of any of the vessels;
 - (D) the date immediately before the date of deregistration of any of the vessels from the Singapore Registry of Ships; and
 - (ii) in the case of the China Shipping loan agreement, to interest payable after the earliest of the following:
 - (A) 29 September 2015;
 - (B) the date of termination of the China Shipping loan agreement;
 - (C) the date on which China Ore Shipping Pte Ltd transfers or disposes of any of the vessels;
 - (D) the date immediately before the date of deregistration of any of the vessels from the Singapore Registry of Ships.

Made on 14 October 2016.

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