
First published in the Government *Gazette*, Electronic Edition, on 20th September 2013 at 5:00 pm.

No. S 610

INCOME TAX ACT
(CHAPTER 134)

INCOME TAX
(EXEMPTION OF INTEREST AND OTHER PAYMENTS
FOR ECONOMIC AND TECHNOLOGICAL
DEVELOPMENT) (AMENDMENT NO. 2)
NOTIFICATION 2013

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

Citation and commencement

1. This Notification may be cited as the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment No. 2) Notification 2013 and shall be deemed to have come into operation on 24th February 2013.

Amendment of paragraph 2

2. Paragraph 2(1) of the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 6) Notification 2009 (G.N. No. S 574/2009) is amended —

- (a) by deleting the words “31st December 2013” in paragraph (a) of the definition of “approved loan” and substituting the words “24th February 2013”;
- (b) by inserting the word “and” at the end of paragraph (b) of the definition of “approved loan”;
- (c) by deleting the word “and” at the end of paragraph (c)(iii) of the definition of “approved loan”;
- (d) by deleting paragraph (d) of the definition of “approved loan”;

(e) by deleting the full-stop at the end of the definition of “financial sector incentive (headquarter services) company” and substituting a semi-colon, and by inserting immediately thereafter the following definitions:

““prescribed services” means the services specified in regulation 5(1) of the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) Regulations 2005 (G.N. No. S 735/2005);

“qualifying loan”, in relation to a financial sector incentive (headquarter services) company, means a loan or other arrangement similar in nature to a loan, where —

(a) the loan agreement takes effect during the period from 22nd January 2009 to 31st December 2018 (both dates inclusive);

(b) the loan is denominated in a currency other than the Singapore dollar;

(c) the loan is from —

(i) any office or associated company outside Singapore of the financial sector incentive (headquarter services) company, which has been approved for the purposes of this Notification by the Minister or such person as he may appoint;

(ii) any bank outside Singapore; or

(iii) any non-bank financial institution outside Singapore which is not an office or associated company of the financial sector incentive (headquarter services) company.”.

Deletion and substitution of paragraph 3

3. Paragraph 3 of the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 6) Notification 2009 is deleted and the following paragraph substituted therefor:

“Exemption

3.—(1) Subject to sub-paragraph (2), there shall be exempt from tax —

- (a) the interest payable by a company for the time being approved as a financial sector incentive (headquarter services) company on the part of the funds of an approved loan which is used to finance the provision of any of the financial sector incentive (headquarter services) company’s approved services, which is provided by the financial sector incentive (headquarter services) company prior to 31st December 2010;
- (b) the interest payable by a company for the time being approved as a financial sector incentive (headquarter services) company on the part of the funds of an approved loan which is used to finance the provision of any prescribed service, which is provided by the financial sector incentive (headquarter services) company on or after 31st December 2010; and
- (c) the interest payable, on or after 25th February 2013, by a company for the time being approved as a financial sector incentive (headquarter services) company on the part of the funds of a qualifying loan which is used to finance the provision of any prescribed service by the financial sector incentive (headquarter services) company.

(2) The exemption referred to in sub-paragraph (1)(a) and (b) is subject to the conditions imposed by the Minister and notified to the financial sector incentive (headquarter services) company.”.

Made this 12th day of September 2013.

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

[MFR 032.018.2183 V17; AG/LLRD/SL/134/2010/5 Vol. 2]