

---

---

First published in the *Government Gazette*, Electronic Edition, on 3 October 2024 at 5 pm.

**No. S 769**

**INCOME TAX ACT 1947**

**INCOME TAX  
(PAYMENT BY BANK IN SINGAPORE TO BANK  
OUTSIDE SINGAPORE — SECTION 13(4) EXEMPTION)  
NOTIFICATION 2024**

**ARRANGEMENT OF PARAGRAPHS**

**Paragraph**

1. Citation and commencement
  2. Definitions
  3. Exemption
- 

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

**Citation and commencement**

1. This Notification is the Income Tax (Payment by Bank in Singapore to Bank outside Singapore — Section 13(4) Exemption) Notification 2024 and is deemed to have come into operation on 1 April 2021.

**Definitions**

2. In this Notification —

“bank in Singapore” means —

- (a) a bank within the meaning of section 2(1) of the Banking Act (Cap. 19, 2008 Revised Edition); or
- (b) a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186, 1999 Revised Edition);

---

---

“bank outside Singapore” means a financial institution that is licensed or approved (or exempt from licensing or approval) to carry on banking business outside Singapore, by a financial supervisory authority of the jurisdiction in which it carries on its banking business;

“qualifying payment” means any income referred to in section 12(6) of the Act.

### **Exemption**

**3.—**(1) Subject to sub-paragraphs (2) and (3), where a qualifying payment is made by a bank in Singapore to a bank outside Singapore, the qualifying payment is exempt from tax if the qualifying payment —

- (a) is liable to be made at any time during the period from 1 April 2021 to 31 December 2031 (both dates inclusive) under —
  - (i) a contract which took effect before 1 April 2021;
  - (ii) a contract which was extended or renewed, where the extension or renewal took effect before 1 April 2021;  
or
  - (iii) a debt security which was issued before 1 April 2021;
- (b) is liable to be made under a contract which takes effect on a date which falls within the period from 1 April 2021 to 31 December 2031 (both dates inclusive);
- (c) is liable to be made —
  - (i) under a contract which is extended or renewed, where the extension or renewal takes effect on a date which falls within the period from 1 April 2021 to 31 December 2031 (both dates inclusive); and
  - (ii) on or after the date on which the extension or renewal takes effect; or

- 
- 
- (d) is liable to be made under a debt security which is issued on a date which falls within the period from 1 April 2021 to 31 December 2031 (both dates inclusive).
- (2) The exemption in sub-paragraph (1) only applies —
- (a) if the bank outside Singapore is not resident in Singapore and does not have a permanent establishment in Singapore; or
- (b) if the bank outside Singapore is not resident in Singapore and carries on an operation in Singapore through a permanent establishment in Singapore, and —
- (i) the contract under which the qualifying payment is made is not entered into through that operation; or
- (ii) the debt security under which the qualifying payment is made is not acquired by the bank outside Singapore through that operation.
- (3) The exemption in sub-paragraph (1) does not apply to any qualifying payment made by a bank in Singapore in connection with an arrangement mentioned in section 33(1) of the Act.

Made on 1 October 2024.

LAI CHUNG HAN  
*Permanent Secretary (Development),  
Ministry of Finance,  
Singapore.*

[AG/LEGIS/SL/134/2020/12]