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INCOME TAX ACT (CHAPTER 134)

INCOME TAX (CONCESSIONARY RATE OF TAX FOR APPROVED QUALIFYING COMPANIES) (AMENDMENT NO. 2) REGULATIONS 2021

In exercise of the powers conferred by section 43P(1) of the Income Tax Act, the Minister for Finance makes the following Regulations:

Citation and commencement

1. These Regulations are the Income Tax (Concessionary Rate of Tax for Approved Qualifying Companies) (Amendment No. 2) Regulations 2021 and come into operation on 8 November 2021.

Amendment of regulation 3

2. Regulation 3 of the Income Tax (Concessionary Rate of Tax for Approved Qualifying Companies) Regulations 2013 (G.N. No. S 731/2013) is amended —

(a) by deleting paragraph (1) and substituting the following paragraphs:

“(1) For the purposes of section 43P(1)(b) of the Act, the Minister or a person appointed by the Minister (called in these Regulations the appointed person) may —

(a) approve a qualifying company as an approved qualifying company for any income of the company specified in regulation 4 to be chargeable with tax at the rate of 5% or 10%; and

(b) specify the prescribed qualifying structured commodity financing activities, prescribed treasury activities and prescribed advisory services in relation to mergers and acquisitions, for the approved qualifying company in relation to the approval.

(1A) The approval mentioned in paragraph (1) is for a period not exceeding 5 years starting on a date specified by the Minister or appointed person.”; and

(b) by deleting the words “paragraph (1)” in paragraph (2) and substituting the words “paragraph (1A)”.

Deletion and substitution of regulation 4

3. Regulation 4 of the Income Tax (Concessionary Rate of Tax for Approved Qualifying Companies) Regulations 2013 is deleted and the following regulation substituted therefor:

“Concessionary rate of tax

4.—(1) Tax at the rate of 5% is levied and must be paid for each year of assessment on the income of a qualifying company that has been approved for that rate from the carrying on of any of the following activities or services that has been specified for the company by the Minister or appointed person:

- (a) prescribed qualifying structured commodity financing activities;
- (b) prescribed treasury activities;
- (c) prescribed advisory services in relation to mergers and acquisitions.

(2) Tax at the rate of 10% is levied and must be paid for each year of assessment on the income of a qualifying company that has been approved for that rate from the carrying on of any activity or service mentioned in paragraph (1) that has been specified for that company by the Minister or appointed person.”.

Made on 29 October 2021.

TAN CHING YEE
*Permanent Secretary,
Ministry of Finance,
Singapore.*

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