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INCOME TAX ACT (CHAPTER 134)

INCOME TAX (RELATED PARTY OF APPROVED CONTAINER INVESTMENT ENTERPRISE UNDER SECTION 43ZA) RULES 2021

ARRANGEMENT OF RULES

Rule

1. Citation and commencement
 2. Definitions
 3. Related party
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In exercise of the powers conferred by section 7(1) of the Income Tax Act, the Minister for Finance makes the following Rules:

Citation and commencement

1. These Rules are the Income Tax (Related Party of Approved Container Investment Enterprise under Section 43ZA) Rules 2021 and are deemed to have come into operation on 12 December 2018.

Definitions

2. In these Rules —

“approved container investment enterprise” —

- (a) means an approved container investment enterprise mentioned in section 43ZA of the Act; and
- (b) includes a partnership approved by the Minister (or a person appointed by the Minister) under section 43ZA of the Act as applied by section 36 of the Act;

“approved container investment manager” means an approved container investment manager mentioned in section 43ZB of the Act.

Related party

3.—(1) For the purposes of section 43ZA of the Act, each of the following is a related party of an approved container investment enterprise (called in this rule the approved enterprise):

- (a) another approved container investment enterprise that is related to the approved enterprise —
 - (i) where the approved enterprise is a company — in accordance with paragraph (2) or (3); or
 - (ii) where the approved enterprise is a registered business trust or partnership — in accordance with paragraph (3);
- (b) a company —
 - (i) being one —
 - (A) that is incorporated and resident in Singapore; or
 - (B) that is incorporated outside Singapore; and
 - (ii) at least 25% of the total number of the issued ordinary shares of which are beneficially owned (whether directly or indirectly) by —
 - (A) the approved enterprise; or
 - (B) another approved container investment enterprise that is a related party of the approved enterprise under sub-paragraph (a);
- (c) a partnership that is registered or formed outside Singapore —
 - (i) where the approved enterprise is entitled (whether directly or indirectly) to at least 25% of the partnership’s income; or

(ii) one of the partners of which —

(A) is another approved container investment enterprise that is a related party of the approved enterprise under sub-paragraph (a); and

(B) is entitled to at least 25% of the partnership's income.

(2) For the purposes of paragraph (1)(a)(i), an approved container investment enterprise (called in this paragraph the related enterprise) is related to the approved enterprise if at least 25% of the total number of the issued ordinary shares of —

(a) the approved enterprise; and

(b) the related enterprise,

are beneficially owned (whether directly or indirectly) by the same shareholder or shareholders.

(3) For the purposes of paragraph (1)(a)(i) and (ii), an approved container investment enterprise (called in this paragraph the related enterprise) is related to the approved enterprise if —

(a) the approved enterprise and related enterprise are managed by the same approved container investment manager; or

(b) all the issued ordinary shares of —

(i) the approved container investment manager that manages the approved enterprise; and

(ii) the approved container investment manager that manages the related enterprise,

are beneficially owned (whether directly or indirectly) by the same shareholder or shareholders.

Made on 19 October 2021.

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

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(To be presented to Parliament under section 7(2) of the Income Tax Act).