

INCOME TAX ACT
(CHAPTER 134, SECTION 13(4))

INCOME TAX (EXEMPTION OF INTEREST AND OTHER
PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL
DEVELOPMENT) NOTIFICATION

ARRANGEMENT OF PARAGRAPHS

Paragraph

1. Citation
 2. Exemption
 3. Terms and conditions of exemption
-

[3rd May 1999]

Citation

1. This Notification may be cited as the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification.

Exemption

2.—(1) This paragraph applies to any payment —

- (a) made by a Singapore swap counterparty to an issuer of Singapore dollar debt securities who is not resident in Singapore;
- (b) that is not derived through any operation carried on by the issuer through the issuer's permanent establishment in Singapore; and
- (c) that is liable to be made —
 - (i) under a contract for a cross currency swap transaction, where the contract takes effect on a date that falls within the period from 3 March 1999 to

31 December 2026 (both dates inclusive) (called in this sub-paragraph the relevant period);

[S 331/2024 wef 04/11/2022]

[S 331/2024 wef 01/01/2023]

(ii) under a contract for a cross currency swap transaction that is extended or renewed, where —

(A) the extension or renewal of the contract takes effect on a date that falls within the relevant period; and

(B) the payment is made on or after the date on which such extension or renewal takes effect; or

[S 331/2024 wef 04/11/2022]

(iii) under a contract for a cross currency swap transaction that is varied, where —

(A) the variation of the contract takes effect on a date that falls within the period from 4 November 2022 to 31 December 2026 (both dates inclusive); and

(B) the payment is made on or after the date on which such variation takes effect.

[S 331/2024 wef 04/11/2022]

(1A) However, this paragraph does not apply to a payment liable to be made —

(a) under a contract for a cross currency swap transaction mentioned in sub-paragraph (1)(c)(i), (ii) and (iii), that is varied with effect from a date on or after 1 January 2027; and

(b) on or after the date on which such variation takes effect.

[S 331/2024 wef 15/04/2024]

(2) Subject to paragraph 3, any payment to which this paragraph applies is exempt from tax.

[S 331/2024 wef 15/04/2024]

[S 796/2018 wef 10/12/2018]

Terms and conditions of exemption

3. The exemption under paragraph 2 shall apply only if the following terms and conditions are satisfied:

- (a) the issuer has been approved by the Monetary Authority of Singapore (the Authority) to issue Singapore dollar debt securities under the Authority's guidelines on internationalisation of the Singapore dollar (the Internationalisation Guidelines);
- (b) the Singapore swap counterparty is a licensed bank or merchant bank or any other institution specifically approved by the Authority to enter into the cross currency swap transaction; and
- (c) the cross currency swap transaction is entered into pursuant to the requirements of the Internationalisation Guidelines to convert the proceeds from the Singapore-dollar denominated debt securities into foreign currency.

[G.N. No. S 206/99]

LEGISLATIVE HISTORY
INCOME TAX (EXEMPTION OF INTEREST AND OTHER
PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL
DEVELOPMENT) NOTIFICATION
(CHAPTER 134, N 13)

This Legislative History is provided for the convenience of users of the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification. It is not part of this Notification.

1. G. N. No. S 206/1999 — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification 1999

Date of commencement : 3 May 1999

2. 2000 Revised Edition — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification

Date of operation : 31 January 2000

3. G.N. No. S 796/2018 — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment) Notification 2018

Date of commencement : 10 December 2018

4. G.N. No. S 331/2024 — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment No. 8) Notification 2024

Date of commencement : 4 November 2022

5. G.N. No. S 331/2024 — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment No. 8) Notification 2024

Date of commencement : 1 January 2023

6. G.N. No. S 331/2024 — Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (Amendment No. 8) Notification 2024

Date of commencement : 15 April 2024