

**INCOME TAX ACT  
(CHAPTER 134, SECTION 43J)**

**INCOME TAX (CONCESSIONARY RATE OF TAX FOR  
APPROVED TRUSTEE COMPANIES) REGULATIONS**

ARRANGEMENT OF REGULATIONS

Regulation

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[18th December 1992]

**Citation**

1. These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations and shall have effect for the year of assessment 1992 and subsequent years of assessment.

**Definitions**

2. In these Regulations —

“approved trustee company” means a trustee company which is approved by the Minister or such person as he may appoint under section 43J of the Act;

*[Deleted by S 315/2012 wef 01/09/2007]*

“designated investments” has the same meaning as in the Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (G.N. No. S 6/2010), with references to

“prescribed person” therein modified to refer to “approved trustee company”;

*[S 315/2012 wef 01/09/2007]*

*[S 771/2017 wef 11/04/2016]*

“designated person” has the same meaning as in the Income Tax (Exemption of Income of Non-residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010;

*[S 315/2012 wef 01/09/2007]*

“eligible holding company” has the same meaning as in regulation 2 of the Income Tax (Exemption of Income of Foreign Trusts) Regulations (Rg 24);

*[S 211/2015 wef Y/A 2003 & Sub Ys/A]*

“foreign account” has the same meaning as in section 13O of the Act;

*[S 546/2007 wef 18/02/2005]*

“foreign bond or loan stock issues” means any bond or loan stock issued by a person not resident in Singapore (but excluding its permanent establishment in Singapore) or by a permanent establishment outside Singapore of a person resident in Singapore in respect of any business carried on outside Singapore through that permanent establishment, where —

- (a) the bond or loan stock is denominated in currencies other than Singapore dollars;
- (b) the proceeds of the bond or loan stock issue are to be used outside Singapore; and
- (c) the expenses incurred in respect of the bond or loan stock issue are not borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore;

*[Deleted by S 315/2012 wef 01/04/2011]*

“foreign business trust”, “foreign collective investment scheme”, “foreign debt securities”, “foreign equity securities” and “foreign mutual fund corporation” have the same meanings as in the Income Tax (Concessionary Rate of Tax for Financial

Sector Incentive Companies) Regulations 2005  
(G.N. No. S 735/2005);

*[S 315/2012 wef 01/04/2011]*

*[S 771/2017 wef 01/04/2016]*

“mutual fund corporation” means a collective investment scheme or closed-end fund as defined in section 2 of the Securities and Futures Act (Cap. 289) that is constituted as a corporation;

*[S 349/2003 wef 23/07/2003]*

“philanthropic purpose trust” has the same meaning as in section 13O of the Act;

*[S 546/2007 wef 18/02/2005]*

“qualifying debt securities” has the same meaning as in section 13(16) of the Act;

*[S 771/2017 wef 01/04/2016]*

“relevant foreign trust” means a foreign trust as defined in regulation 2A of the Income Tax (Exemption of Income of Foreign Trusts) Regulations (Rg 24), other than a unit trust referred to in paragraph (1)(b) of that regulation;

*[S 349/2003 wef Y/A 2003 & Sub Ys/A]*

“unit trust” means any trust established for the purpose, or having the effect, of providing facilities for the participation by persons as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property.

### **Concessionary rate of tax**

3.—(1) Tax shall be payable at the rate of 10% on the income derived by an approved trustee company from the provision of —

- (a) any trustee or custodian services in its capacity as a trustee of a relevant foreign trust, or as a trustee of a philanthropic purpose trust in respect of a foreign account;
- (b) any trustee or custodian services for or on behalf of any unit trust which is also a trust fund that qualifies as a “foreign investor” as defined in the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies)

Regulations 2005 and where the funds of the unit trust are invested in designated investments;

- (c) trustee or custodian services in respect of foreign bond or loan stock issues including services for monitoring loan covenants and administering loan repayments;
- (d) custodian services in respect of stocks and shares, denominated in currencies other than Singapore dollars, of companies which are neither incorporated nor resident in Singapore;
- (e) any custodian services for or on behalf of any foreign mutual fund corporation, where the funds of the foreign mutual fund corporation are invested in designated investments;
- (f) any trust management or administration services provided to any trustee of a relevant foreign trust, to any eligible holding company of a relevant foreign trust or to any trustee of a philanthropic purpose trust in respect of a foreign account; and
- (g) any trustee or custodian services in respect of the issue of units of —
  - (i) a foreign collective investment scheme; or
  - (ii) a foreign business trust,where the proceeds of the issue of units are used outside Singapore.

*[S 771/2017 wef 01/04/2016]*

(2) Tax is payable at the rate of 10% on the income of an approved trustee company derived on or after 1 April 2016 from providing custodian services in respect of —

- (a) any qualifying debt securities;
- (b) any foreign debt securities;
- (c) any foreign equity securities;
- (d) any units in a foreign collective investment scheme; or

(e) any units in a foreign business trust.

*[S 771/2017 wef 01/04/2016]*

### **Determination of income chargeable to tax**

**4.** For the purpose of regulation 3, the Comptroller shall determine —

- (a) the income chargeable to tax of an approved trustee company having regard to such expenses, capital allowances and donations allowable under the Act as are, in his opinion, to be deducted in ascertaining such income; and
- (b) the manner and extent to which any losses arising from the trustee or custodian services specified in that regulation may be deducted under the Act in ascertaining the chargeable income of an approved trustee company.

*[S 93/2006 wef 30/01/2006]*

### **Application**

**5.** Regulation 3 shall not apply to any payment to an approved trustee company for the services referred to in that regulation which is borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (excluding, in relation to a trust referred to in that regulation, a trustee incorporated, resident or registered in Singapore, in its capacity as a trustee of that trust).

*[S 315/2012 wef 01/04/2011]*

*[G.N. No. S 512/92]*

LEGISLATIVE HISTORY  
INCOME TAX (CONCESSIONARY RATE OF TAX FOR  
APPROVED TRUSTEE COMPANIES) REGULATIONS  
(CHAPTER 134, RG 21)

This Legislative History is provided for the convenience of users of the Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations. It is not part of these Regulations.

**1. G. N. No. S 512/1992 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations 1992**

Date of commencement : 18 December 1992

**2. 1993 Revised Edition — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations**

Date of operation : 1 April 1993

**3. G. N. No. S 349/2003 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2003**

Date of commencement : 23 July 2003

**4. G. N. No. S 546/2007 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2007**

Date of commencement : 18 February 2005

**5. G. N. No. S 93/2006 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2006**

Date of commencement : 30 January 2006

**6. G.N. No. S 315/2012 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2012**

Date of commencement : 1 September 2007

**7. G.N. No. S 315/2012 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2012**

Date of commencement : 1 April 2011

**8. G.N. No. S 211/2015 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2015**

Date of commencement : 14 April 2015

**9. G.N. No. S 771/2017 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2017**

Date of commencement : 1 April 2016

**10. G.N. No. S 771/2017 — Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) (Amendment) Regulations 2017**

Date of commencement : 11 April 2016