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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
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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 that holds a licence granted under section 7 or 79 of the Banking Act 1970; or

[S 770/2024 wef 31/12/2021]

- (b) a merchant bank that holds a merchant bank licence, or is treated as having been granted a merchant bank licence, under the Banking Act 1970;

[S 770/2024 wef 31/12/2021]

[S 770/2024 wef 01/07/2021]

“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), (3) and (4), 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;

[S 770/2024 wef 04/11/2022]

(ca) is liable to be made —

- (i) under a contract which is varied, where the variation takes effect on a date which falls within the period from 4 November 2022 to 31 December 2031 (both dates inclusive); and

- (ii) on or after the date on which the variation takes effect; or

[S 770/2024 wef 04/11/2022]

- (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).

[S 770/2024 wef 03/10/2024]

(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.

(4) The exemption in sub-paragraph (1) does not apply to any qualifying payment liable to be made —

- (a) under a contract mentioned in sub-paragraph (1)(b), (c) or (ca), that is varied with effect from a date on or after 1 January 2032; and
- (b) on or after the date on which the variation takes effect.

[S 770/2024 wef 03/10/2024]

Made on 1 October 2024.

LAI CHUNG HAN
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Singapore.*

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