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INCOME TAX ACT (CHAPTER 134)

INCOME TAX (EXEMPTION OF INTEREST AND OTHER PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL DEVELOPMENT) (NO. 2) NOTIFICATION 2018

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, the Minister for Finance makes the following Notification:

Citation and commencement

1. This Notification is the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 2) Notification 2018 and is deemed to have come into operation on 20 February 2018.

Definitions

2. In this Notification —

“approved exchange” means an exchange approved under section 8 of the Securities and Futures Act (Cap. 289);

“specified contract” means any of the following:

- (a) a contract for trading in gold futures on an approved exchange;

- (b) a contract for trading in financial futures on an approved exchange;
- (c) a contract for trading in spot foreign exchange (other than a contract that involves the Singapore dollar) on an approved exchange.

Exemption

3.—(1) This paragraph applies to any interest payment —

- (a) made by a member of an approved exchange to a person who is not resident in Singapore;
- (b) that is not derived through any operation carried on by the person through the person's permanent establishment in Singapore; and
- (c) that is a margin deposit interest payment required to be made —

(i) under —

(A) a specified contract that took effect on a date before 20 February 2018; or

(B) a specified contract that was extended or renewed, and the extension or renewal took effect on a date before 20 February 2018,

where the payment is made on a date that falls within the period from 20 February 2018 to 31 December 2022 (both dates inclusive) (called in this sub-paragraph the relevant period);

(ii) under a specified contract that takes effect on a date that falls within the relevant period; or

(iii) under a specified contract that is extended or renewed, where —

(A) the extension or renewal 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.

(2) Any payment mentioned in sub-paragraph (1) is exempt from tax.

Made on 5 December 2018.

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

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