

**Income Tax (Concessionary Rate of Tax on Dividends — Aircraft Leasing Company) Order 2020**

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**No. S 673**

**INCOME TAX ACT  
(CHAPTER 134)**

**INCOME TAX  
(CONCESSIONARY RATE OF TAX ON  
DIVIDENDS — AIRCRAFT LEASING COMPANY)  
ORDER 2020**

In exercise of the powers conferred by section 13(12) of the Income Tax Act, the Minister for Finance makes the following Order:

**Citation and commencement**

1. This Order is the Income Tax (Concessionary Rate of Tax on Dividends — Aircraft Leasing Company) Order 2020 and is deemed to have come into operation on 5 February 2014.

## Definitions

2. In this Order —

“approved aircraft leasing company” or “AALC” means an aircraft leasing company as defined in section 43Y of the Act and approved under that section, and includes a partnership approved by the Minister or a person appointed by the Minister under section 43Y of the Act as applied by section 36(1A) of the Act;

“approved company”, in relation to an AALC, means a company of which the AALC is a shareholder, that is approved under paragraph 3;

“equity interest”, in relation to a company, means an issued share of the company that is not a treasury share;

“leasing of aircraft or aircraft engine” means the leasing of any aircraft or aircraft engine other than under a finance lease that is treated as a sale under regulations made under section 10D(1) of the Act.

## Approval

3.—(1) The Minister or a person appointed by the Minister may approve a company of an AALC for the purposes of this Order.

(2) The Minister or appointed person may only approve a company if the Minister or appointed person is satisfied that all of the following conditions have been met:

- (a) the company is incorporated outside Singapore;
- (b) the company carries on, or intends to carry on, the business of leasing aircraft or aircraft engine outside Singapore;
- (c) the company intends to pay dividends derived from its income from its business of leasing aircraft or aircraft engine outside Singapore to the AALC and these payments will be used by the AALC for the AALC’s business of leasing aircraft or aircraft engine;
- (d) the AALC controls and manages the aircraft or aircraft engine that the company uses for its business of leasing aircraft or aircraft engine outside Singapore;
- (e) the AALC beneficially owns at least 25% of the equity interests of the company.