

Income Tax (Exemption and Concessionary Tax Rate for Income from Composite Insurance Business) Regulations

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Legislative History

INCOME TAX ACT (CHAPTER 134, SECTION 43C)

INCOME TAX (EXEMPTION AND CONCESSIONARY TAX RATE FOR INCOME FROM COMPOSITE INSURANCE BUSINESS) REGULATIONS

[5th May 1995]

Citation

1. These Regulations may be cited as the Income Tax (Exemption and Concessionary Tax Rate for Income from Composite Insurance Business) Regulations and shall have effect for the year of assessment 1996 and subsequent years of assessment.

*[S 80/2009, wef Y/A 2005 & Sub Ys/A]
[S 319/2016 wef 05/07/2016]*

Definitions

2.—(1) In these Regulations —

“approved captive insurer” means any captive insurer approved under regulation 4A;

“approved insurer” means any insurer approved under regulation 3;

“approved marine hull and liability insurer” means any insurer approved under regulation 4;

“approved specialised insurer” means any insurer approved under regulation 4B;

“Asian Currency Unit” means an operational unit that was approved by the Monetary Authority of Singapore under section 77(5) of the Banking Act (Cap. 19) as in force immediately before 1 July 2021;

[S 493/2021 wef 01/07/2021]

[Deleted by S 319/2016 wef 01/04/2013]

“capital allowances” means the allowances under section 19, 19A, 20, 21, 22 or 23 of the Act;

“captive insurer” has the same meaning as in section 1A of the Insurance Act (Cap. 142);

“catastrophe excess of loss policy” means an insurance policy where the insurer is liable for any amount above an amount stated in the policy in respect of any loss arising from a natural catastrophe;

[S 319/2016 wef 25/02/2013]

“deposit” has the meaning given by section 4B(4) of the Banking Act;

[S 493/2021 wef 01/07/2021]

“general insurance business” means the business (other than the business of life assurance) of insuring and reinsuring any risk, including offshore risks;

“interest from ACU deposits” means interest derived from deposits held with an Asian Currency Unit in Singapore;

[S 319/2016 wef 05/07/2016]

“marine hull and liability insurance and reinsurance business” has the same meaning as in section 43C(3) of the Act;

[S 613/2017 wef 01/04/2016]

“offshore captive insurance business” means the offshore general insurance business and offshore life business in relation to the risks of related companies, including third party offshore risks underwritten in the course of and incidental to the captive insurance business;

“offshore general insurance business” means the business (other than the business of life insurance) of insuring and reinsuring offshore risks;

“offshore investments” means —

- (a) stocks and shares denominated in any foreign currency of companies not incorporated and not resident in Singapore;
- (b) securities, other than stocks and shares, denominated in any foreign currency (including bonds, notes, certificates of deposit and treasury bills) issued by foreign governments, foreign banks outside Singapore and companies not incorporated and not resident in Singapore;
- (c) futures contracts denominated in any foreign currency made in any futures exchange;
- (d) any immovable property situated outside Singapore;
- (e) certificates of deposit, notes and bonds issued by Asian Currency Units in Singapore;
- (f) Asian Dollar Bonds approved under section 13(1)(v) of the Act; and
- (g) foreign currency deposits held outside Singapore with financial institutions outside Singapore;

[S 319/2016 wef 05/07/2016]

“offshore life business” and “participating fund” have the same meanings as in section 26(12) of the Act;

[S 602/2017 wef 28/11/2013]

“offshore life policy” means a life policy that is not a Singapore policy within the meaning of paragraph 2(1)(a) of the First Schedule to the Insurance Act;

[S 602/2017 wef 28/11/2013]

“offshore marine hull and liability insurance and reinsurance business” means the marine hull and liability insurance and reinsurance business concerned with offshore risks;

[S 613/2017 wef 01/04/2016]

“offshore qualifying specialised insurance business” means the business of insuring and reinsuring offshore qualifying specialised insurance risks;

“offshore qualifying specialised insurance risk” means a qualifying specialised insurance risk that is an offshore risk;

[S 602/2017 wef 01/04/2016]

“participating policy” has the same meaning as in paragraph 6A of the First Schedule to the Insurance Act;

“qualifying return in lieu of interest” means any return in lieu of interest from investing in products endorsed by any Shari’ah council or body, or by any committee formed for the purpose of providing guidance on compliance with Shari’ah law;

[S 319/2016 wef 25/02/2013]

[S 602/2017 wef 01/04/2016]

“qualifying specialised insurance business” means the business of insuring and reinsuring one or more qualifying specialised insurance risks;

[S 602/2017 wef 01/04/2016]

“qualifying specialised insurance risk” means any of the following risks:

- (a) any terrorism risk;
- (b) any political risk;
- (c) any energy risk;
- (d) any aviation and aerospace risk;
- (e) any agriculture risk;
- (f) any risk arising from a natural catastrophe.

[S 602/2017 wef 01/04/2016]

(2) In these Regulations, a reference to insuring, reinsuring or underwriting a qualifying specialised insurance risk that is a risk arising from a natural catastrophe is a reference to reinsuring such risk by means of a catastrophe excess of loss policy.

[S 602/2017 wef 26/10/2017]

Application