

**Income Tax (Exemption of Income of Trustee of Trust Fund Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010**

**Table of Contents**

**Enacting Formula**

**1 Citation and commencement**

**2 Definitions**

**3 Prescribed trust fund for tax exemption**

**4 Prescribed fund manager for tax exemption**

**5 Prescribed income for tax exemption**

**5A No deduction in respect of loss arising from designated investments**

**6 Application**

**7 Saving and transitional provision**

**No. S 7**

**INCOME TAX ACT  
(CHAPTER 134)**

**INCOME TAX (EXEMPTION OF INCOME OF TRUSTEE OF TRUST FUND  
ARISING FROM FUNDS MANAGED BY FUND MANAGER IN SINGAPORE)  
REGULATIONS 2010**

In exercise of the powers conferred by section 13C of the Income Tax Act, the Minister for Finance hereby makes the following Regulations:

## Citation and commencement

1. These Regulations may be cited as the Income Tax (Exemption of Income of Trustee of Trust Fund Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 and shall be deemed to have come into operation on 1st September 2007.

## Definitions

2.—(1) In these Regulations —

“approved start-up fund manager” means a start-up fund manager approved under regulation 3(3);

“designated investments” and “specified income” have the same meanings as in the Income Tax (Exemption of Income of Non-residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (G.N. No. S 6/2010), with references to the “prescribed person” therein modified to refer to the “trustee of the prescribed trust fund”;

“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;

“issued securities” means —

- (a) issued debentures, stocks or shares;
- (b) any right, option or derivative in respect of any such debentures, stocks or shares;
- (c) any right under a contract for differences, or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations, in —
  - (i) the value or price of any such debentures, stocks or shares;
  - (ii) the value or price of any group of any such debentures, stocks or shares; or
  - (iii) an index of any such debentures, stocks or shares,

and includes derivatives of a buy-sell nature for funding purpose, but does not include —

- (A) futures contracts which are traded on a futures market;
- (B) bills of exchange;

- (C) promissory notes; or
- (D) certificates of deposit issued by a bank or finance company.

(2) Any reference in these Regulations to the value of issued securities of a company is a reference to the value of those securities —

- (a) at the time of their issue by the company; or
- (b) in the case of derivatives of a buy-sell nature, at the time of their buy-sell transaction.

### **Prescribed trust fund for tax exemption**

3.—(1) For the purposes of exemption from tax under section 13C of the Act, a prescribed trust fund is a trust fund —

- (a) that is administered by a trustee who is resident in Singapore, a permanent establishment in Singapore or a Singapore citizen; and
- (b) of which not more than 20% of its value is beneficially held, directly or indirectly, by one or more of the following:
  - (i) an individual who is a citizen of Singapore or is resident in Singapore;
  - (ii) a person (other than an individual) who is resident in Singapore or a permanent establishment in Singapore; or
  - (iii) a company not resident in Singapore where —
    - (A) in the case where the company is incorporated before 15th February 2007, more than 20% of the total number of its issued shares (excluding the total number of its issued shares owned directly by designated persons) are beneficially owned, directly or indirectly, by persons who are citizens of Singapore or resident in Singapore; or
    - (B) in the case where the company is incorporated on or after 15th February 2007, more than 20% of the total value of its issued securities (excluding the total value of its issued securities owned directly by designated persons) are beneficially owned, directly or indirectly, by persons who are citizens of Singapore or resident in Singapore.