

Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 2) Notification 2013

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No. S 293

INCOME TAX ACT (CHAPTER 134)

INCOME TAX (EXEMPTION OF INTEREST AND OTHER PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL DEVELOPMENT) (NO. 2) NOTIFICATION 2013

In exercise of the powers conferred by section 13(4) of the Income Tax Act, the Minister for Finance hereby makes the following Notification:

Citation and commencement

1. This Notification may be cited as the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) (No. 2) Notification 2013 and shall be deemed to have come into operation on 1st January 2013.

Definitions

2. In this Notification —

“break cost”, “debt securities”, “financial sector incentive (bond market) company”, “prepayment fee”, “qualifying debt securities”, “redemption premium” and “related party” have the same meanings as in section 13(16) of the Act;

“funds from Singapore operations”, in relation to a person, means the funds and profits of that person’s operations through a permanent establishment in Singapore;

“notes” means notes issued under the programme by —

- (a) Bridgestone Finance Europe B.V. through its Singapore branch on or before 31st December 2012; or
- (b) Bridgestone Treasury Singapore Pte. Ltd. on or after 1st January 2013;

“programme” means the Euro Medium Term Note Programme first entered into on 5th November 1991 by Bridgestone Finance Europe B.V. at US\$400,000,000, and increased to US\$800,000,000 on 27th June 2007 and to US\$1,200,000,000 on 24th June 2009, and novated from Bridgestone Finance Europe B.V. to Bridgestone Treasury Singapore Pte. Ltd. on 1st January 2013;

“specified income” means any interest, prepayment fee, redemption premium or break cost payable in respect of any notes;

“specified period” means the period from 1st January 2009 to 31st December 2013 (both dates inclusive).

Exemption

3.—(1) Subject to sub-paragraph (2), there shall be exempt from tax the specified income payable by Bridgestone Treasury Singapore Pte. Ltd. on or after 1st January 2013 on notes issued during the specified period to any noteholder who is not resident in Singapore and —

- (a) who carries on any operation in Singapore through a permanent establishment in Singapore where the funds used by that person to acquire the notes are not obtained from that operation; or
- (b) who does not have any permanent establishment in Singapore.

(2) The exemption under sub-paragraph (1) is subject to the following conditions:

- (a) the dealer or dealers for at least 70% of the total notes issued in every calendar year of the specified period must be —