

# **Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification 2012**

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**No. S 72**

## **INCOME TAX ACT (CHAPTER 134)**

### **INCOME TAX (EXEMPTION OF INTEREST AND OTHER PAYMENTS FOR ECONOMIC AND TECHNOLOGICAL DEVELOPMENT) NOTIFICATION 2012**

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) Notification 2012 and shall be deemed to have come into operation on 1st April 2011.

## **Definition**

2. In this Notification, “qualifying payment” means —

- (a) any interest, commission, fee or other payment; or
- (b) any income derived from loans,

which is deemed under section 12(6) of the Act to be derived from Singapore.

### Exemption

3.—(1) Subject to sub-paragraph (3), a qualifying payment which is made to a person who is neither resident in Singapore nor a permanent establishment in Singapore by —

- (a) a bank that holds a licence under section 7 or 79 of the Banking Act (Cap. 19);

*[S 479/2021 wef 01/07/2021]*

- (aa) a merchant bank that holds a merchant bank licence, or is treated as having been granted a merchant bank licence, under the Banking Act; or

*[S 479/2021 wef 01/07/2021]*

- (b) a finance company licensed under the Finance Companies Act (Cap. 108),

shall be exempt from tax if the qualifying payment —

- (i) is liable to be made during the period from 1st April 2011 to 31st March 2021 (both dates inclusive) under —

- (A) a contract which took effect before 1st April 2011;
- (B) a contract which is extended or renewed, where the extension or renewal took effect before 1st April 2011; or
- (C) a debt security which was issued before 1st April 2011;

- (ii) is liable to be made under a contract which takes effect on a date which falls within the period from 1st April 2011 to 31st March 2021 (both dates inclusive);

- (iii) is liable to be made —

- (A) under a contract which is extended or renewed, where the extension or renewal takes effect on a date which falls within the period from 1st April 2011 to 31st March 2021 (both dates inclusive); and
- (B) on or after the date on which such extension or renewal takes effect; or

- (iv) is liable to be made under a debt security which is issued on a date which