

Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016

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THE SCHEDULE Common Reporting Standard

No. S 621

INCOME TAX ACT (CHAPTER 134)

INCOME TAX (INTERNATIONAL TAX COMPLIANCE AGREEMENTS) (COMMON REPORTING STANDARD) REGULATIONS 2016

In exercise of the powers conferred by section 105P of the Income Tax Act, the Minister for Finance makes the following Regulations:

PART 1

PRELIMINARY

Citation and commencement

1. These Regulations are the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 and come into operation on 1 January 2017.

Implementation of Agreement

2.—(1) These Regulations implement the Standard for Automatic Exchange of Financial Account Information in Tax Matters (for the wider approach) developed and

published by the Organisation for Economic Co-operation and Development, commonly known as the Common Reporting Standard (called in these Regulations the CRS), for the purpose of giving effect to —

- (a) any competent authority agreement that is declared as an international tax compliance agreement under section 105K(1) of the Act; or
- (b) any future competent authority agreement that may be declared as an international tax compliance agreement under that section.

(2) The CRS is set out in the Schedule.

Definitions

3.—(1) In these Regulations, unless the context otherwise requires —

- “active NFE” has the same meaning as “Active NFE” in sub-paragraph D(9) of section VIII of the CRS;
- “AML/KYC procedures” has the same meaning as “AML/KYC Procedures” in sub-paragraph E(2) of section VIII of the CRS;
- “annuity contract” has the same meaning as “Annuity Contract” in sub-paragraph C(6) of section VIII of the CRS;
- “cash value insurance contract” has the same meaning as “Cash Value Insurance Contract” in sub-paragraph C(7) of section VIII of the CRS;
- “controlling persons” has the same meaning as “Controlling Persons” in sub-paragraph D(6) of section VIII of the CRS;
- “depository account” has the same meaning as “Depository Account” in sub-paragraph C(2) of section VIII of the CRS;
- “entity” has the same meaning as “Entity” in sub-paragraph E(3) of section VIII of the CRS;
- “financial asset” has the same meaning as “Financial Asset” in sub-paragraph A(7) of section VIII of the CRS;
- “new entity account” has the same meaning as “New Entity Account” in sub-paragraph C(16) of section VIII of the CRS;
- “NFE” has the same meaning as in sub-paragraph D(7) of section VIII of the CRS;
- “passive NFE” has the same meaning as “Passive NFE” in sub-paragraph D(8) of section VIII of the CRS;

“pre-existing entity account” has the same meaning as “Preexisting Entity Account” in sub-paragraph C(13) of section VIII of the CRS;

“pre-existing individual account” has the same meaning as “Preexisting Individual Account” in sub-paragraph C(11) of section VIII of the CRS;

“reportable account” has the same meaning as “Reportable Account” in sub-paragraph D(1) of section VIII of the CRS;

“reportable person” has the same meaning as “Reportable Person” in sub-paragraph D(2) of section VIII of the CRS.

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(2) In interpreting these Regulations, recourse is to be had to the CRS read with the Commentaries on the Common Reporting Standard as at 27 March 2017, which are developed and published by the Organisation for Economic Co-operation and Development, and available on the Internet website of the Inland Revenue Authority of Singapore at <https://www.iras.gov.sg>.

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Meaning of “financial institution”

4. In these Regulations, “financial institution” means —

- (a) a custodial institution;
- (b) a depository institution;
- (c) an investment entity; or
- (d) a specified insurance company.

Meaning of “custodial institution”

5.—(1) In these Regulations, “custodial institution” has the same meaning as “Custodial Institution” in sub-paragraph A(4) of section VIII of the CRS, and includes —

- (a) the holder of a capital markets services licence under the Securities and Futures Act (Cap. 289) for carrying out the regulated activity of providing custodial services for securities;
- (b) a person (other than an individual) that is exempt under section 99(1)(a) to (d) and (g) and (h) of that Act, read with paragraph 6 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Cap. 289, Rg 10), from the requirement to hold a capital markets services licence to carry out the regulated activity of providing custodial services for securities; and

(c) a licensed trust company under the Trust Companies Act (Cap. 336).

(2) An entity is not a custodial institution for the purposes of paragraph (1) if it is an active NFE that meets the criteria in sub-paragraph D(9)(d) of section VIII of the CRS.

Meaning of “depository institution”

6. In these Regulations, “depository institution” has the same meaning as “Depository Institution” in sub-paragraph A(5) of section VIII of the CRS, and includes —

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

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(b) a finance company licensed under the Finance Companies Act (Cap. 108); and

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

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Meaning of “investment entity”

7.—(1) In these Regulations, “investment entity” has the same meaning as “Investment Entity” in sub-paragraph A(6) of section VIII of the CRS, and includes —

(a) the holder of a capital markets services licence under the Securities and Futures Act (Cap. 289) to carry out one or more of the following regulated activities:

(i) dealing in securities;

(ii) trading in futures contracts;

(iii) leveraged foreign exchange trading;

(iv) fund management;

(v) real estate investment trust management;

(b) a corporation registered under paragraph 5(7) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Cap. 289, Rg 10) as a Registered Fund Management Company;

(c) a person (other than an individual) that is exempt under section 99(1)(a) to (d) and (h) of the Securities and Futures Act read with paragraph 2, 3, 4 or