Income Tax (Amendment) Act 1994
(No. 11 of 1994)

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REPUBLIC OF SINGAPORE

GOVERNMENT GAZETTE

ACTS SUPPLEMENT

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The following Act was passed by Parliament on 25th August 1994 and assented to by the President on 2nd September 1994:—

INCOME TAX (AMENDMENT) ACT 1994

(No. 11 of 1994)

I assent.

ONG TENG CHEONG
President.
2nd September 1994.

Date of Commencement: 16th September 1994

An Act to amend the Income Tax Act (Chapter 134 of the 1994 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1.—(1) This Act may be cited as the Income Tax (Amendment) Act 1994.

(2) Section 9 shall be deemed to have come into operation on 1st January 1993.

(3) Sections 2 and 19 shall be deemed to have come into operation on 1st January 1994.

(4) Section 5 shall be deemed to have come into operation on 1st March 1994.

(5) Sections 18 and 22 shall come into operation on 1st January 1995.

(6) Sections 14 and 15 shall have effect for the year of assessment 1994 and subsequent years of assessment.

(7) Sections 3, 6(*b*), 8, 12(*c*) and (*d*), 13(*a*), 17 and 21 shall have effect for the year of assessment 1995 and subsequent years of assessment.

Amendment of section 2

2. Section 2(1) of the Income Tax Act (referred to in this Act as the principal Act) is amended by inserting, immediately after the definition of "resident in Singapore", the following definition:

" "return" includes an electronic return under section 71A;".

Amendment of section 10

3. Section 10 (4) of the principal Act is amended by deleting paragraph (*a*) and substituting the following paragraph:

"(*a*) a Singapore ship which is owned by a shipping enterprise whose

income is exempt from tax under section 13A at the time the balancing charge falls to be made in respect of the Singapore ship; or".

Amendment of section 10C

4. Section 10C of the principal Act is amended —

(*a*) by inserting, immediately after subsection (1), the following subsection:

"(1A) Notwithstanding subsection (1)(*a*), where in any year from 1st January 1994 contributions obligatory by reason of a contract of employment are made by any relevant employer to the Central Provident Fund in respect of overseas ordinary wages or overseas additional wages paid to an employee in that year, that part of such contributions up to the relevant amount shall not be deemed to be income accruing to the employee."; and

(*b*) by inserting, immediately after the definition of "ordinary wages" in subsection (8), the following definitions:

" "overseas additional wages" means additional wages paid in respect of the performance of any duty on or after 1st January 1994 for any period outside Singapore;

"overseas ordinary wages" means ordinary wages paid in respect of the performance of any duty on or after 1st January 1994 for any period outside Singapore;

"overseas total wages", in relation to any year, means the total of the overseas ordinary wages and overseas additional wages in that year received by an employee;

"relevant amount" means the amount of contributions which would have been required to be made by the relevant employer had such contributions been obligatory under the Central Provident Fund Act (Cap. 36) in respect of —

(*a*) the overseas total wages paid to an employee in any year less the aggregate in that year of such part of the overseas ordinary wages paid to the employee in every month in that year as exceeds $6,000; or

(*b*) $100,000,

whichever is the less;

"relevant employer" means any company incorporated or registered under the Companies Act (Cap. 50) or any person registered under the Business Registration Act (Cap. 32);".

Amendment of section 13

5. Section 13 (1) of the principal Act is amended by deleting paragraph (*y*) and substituting the following paragraph:

"(*y*) such income as may be prescribed by regulations under section 43A of a company approved under section 43A(1)(*c*) and of a financial institution from the operation of its Asian Currency Unit;".

Amendment of section 13A

6. Section 13A of the principal Act is amended —

(*a*) by deleting the word "registration" in the third line of subsection (1)(*b*) and substituting the word "registry"; and

(*b*) by inserting, immediately after subsection (13), the following subsections:

"(14) Notwithstanding anything in this section, a shipping enterprise may at any time elect that its income derived or deemed to be derived from the operation of all its Singapore ships shall be taxed at the rate prescribed by section 43(1)(*a*).

(15) An election under subsection (14) shall be made by a shipping enterprise by notice in writing to the Comptroller and shall be irrevocable.

(16) Where a shipping enterprise has made an election under subsection (14) —

(*a*) subsections (1) to (11) shall not apply to the income of the shipping enterprise for the year of assessment immediately following the year in which the election is made and for subsequent years of assessment;

(*b*) any capital allowances or the balance thereof which were not made against the income of the shipping enterprise exempt under this section for any year of assessment during which its income was exempt