

Income Tax (Amendment No. 2) Bill

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Bill No: 10/1983

Read the first time: 30th August 1983

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Expenditure of Public Money

Income Tax (Amendment No. 2) Bill

Bill No. 10/1983

Read the first time on 30th August 1983.

An Act to amend the Income Tax Act (Chapter 141 of the Revised Edition).

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

Short title

1.—(1) This Act may be cited as the Income Tax (Amendment No. 2) Act 1983.

(2) Sections 2 and 6 shall have effect for the year of assessment 1984 and subsequent years of assessment.

(3) Sections 7 and 9 shall have effect for the year of assessment 1983 and subsequent years of assessment.

Amendment of section 10

2. Section 10 of the Income Tax Act (referred to in this Act as the principal Act) is amended by inserting, immediately after subsection (8), the following subsection:

“(9) For the purposes of paragraph (a) or (f) of subsection (1), the income derived by any author or composer or any company in which he beneficially owns all the issued share capital, from any royalties or other payments received from a publisher carrying on the business of publishing in Singapore as consideration for the assignment of or for the right to use the copyright in any literary, dramatic, musical or artistic work shall be deemed to be the amount remaining after the deductions allowable under Part IV have been made or an amount equal to 10 per cent of the gross amount of the royalties or other payments, whichever is the less.”.

Amendment of section 13

3. Section 13 of the principal Act is amended —

(a) by deleting paragraph (u) of subsection (1) and substituting the following paragraph:

“(u) the interest derived by any person from the deposit of moneys in any savings account with the Post Office Savings Bank of Singapore constituted under

the Post Office Savings Bank of Singapore Act, 1971 (Act 13 of 1971);”;

- (b) by deleting the full-stop at the end of paragraph (x) of subsection (1) and substituting a semi-colon, and by inserting immediately thereafter the following paragraph:

“(y) such income of a financial institution arising from syndicated offshore loans as may be prescribed by regulations under section 43A.”; and

- (c) by deleting the words “(other than a country with which an arrangement for the avoidance of double taxation remains in effect)” in subsection (7).

Amendment of section 13B

4. Section 13B of the principal Act is amended —

- (a) by inserting, immediately after the word “tax” in subsection (1), the words “or exempt from tax”;
- (b) by deleting subsection (2) and substituting the following subsection:

“(2) As soon as any amount of income of the company has been subject to tax at the rate of 10 per cent (or such other concessionary rate) or exempt from tax in accordance with regulations prescribed under section 43A, 43C or 43D, the net amount of the income after deduction of the tax or the amount of the income exempted shall be credited to a special account (referred to in this section as the account) to be kept by the company for the purposes of this section.”;

- (c) by deleting the words “that income after deduction of the tax” in subsection (3) and substituting the words “the income credited to that account”; and
- (d) by deleting the words “or such other concessionary rate” in paragraph (a) of subsection (8) and substituting the words “(or such other concessionary rate) or exempt from tax as”.

Amendment of section 15

5. Section 15 of the principal Act is amended —

- (a) by deleting the full-stop at the end of paragraph (j) of subsection (1) and substituting a semi-colon, and by inserting immediately thereafter the

following paragraph:

- “(k) any outgoings and expenses, whether directly or in the form of reimbursements, incurred on or after 1st April 1983 for the use of any private hire car —
 - (i) where the periods of use of that car by that person, together with the periods of use by that person of any other private hire car or cars, during the basis period for any year of assessment, exceed in the aggregate 183 days; or
 - (ii) which exceed, and only to the extent of the excess, such amount as is in the opinion of the Comptroller reasonable having regard to the periods of use of that car and its requirement by that person during the basis period for any year of assessment.”; and

(b) by inserting, immediately after subsection (2), the following subsection:

- “(3) For the purposes of paragraph (k)(i) of subsection (1) —
 - (a) the use of a car for part of a day shall be counted as one day;
 - (b) where the periods of use by a person of two or more cars overlap, the periods which overlap shall be counted as only one period in determining the aggregate of his periods of use of private hire cars;
 - (c) the period or periods of use of any private hire car —
 - (i) by an employer for the purposes of his trade, business, profession or vocation shall, in addition to the periods of use of that car, include the periods of use of any private hire car by any of his employees for those purposes;
 - (ii) by an employee for the purposes of the trade, business, profession or vocation of his employer shall, in addition to the periods of use of that car, include the