

---

First published in the Government *Gazette*, Electronic Edition, on 6th May 2016 at 5:30 pm.

---

**No. S 212**

**INCOME TAX ACT  
(CHAPTER 134)**

**INCOME TAX  
(CONCESSIONARY RATE OF TAX  
FOR FINANCIAL SECTOR INCENTIVE COMPANIES)  
(AMENDMENT) REGULATIONS 2016**

In exercise of the powers conferred by section 43Q of the Income Tax Act, the Minister for Finance makes the following Regulations:

**Citation and commencement**

**1.**—(1) These Regulations are the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) (Amendment) Regulations 2016 and, except for regulations 2(a) to (d), 3(b), 4, 5(a), (b), (c), (g) and (h), 6, 7, 8(a), (c), (e) and (g), 9(b), (d) and (e) and 12, are deemed to have come into operation on 1 January 2014.

(2) Regulation 3(b) is deemed to have come into operation on 1 January 2004.

(3) Regulation 2(a) is deemed to have come into operation on 17 February 2006.

(4) Regulations 4(a) and 7(a) are deemed to have come into operation on 1 September 2007.

(5) Regulations 2(d), 4(b), 6 and 7(b) are deemed to have come into operation on 1 April 2009.

(6) Regulations 2(b) and (c), 4(c), 7(c) and 9(e) are deemed to have come into operation on 7 July 2010.

(7) Regulation 12(d), (e) and (f) is deemed to have come into operation on 1 January 2011.

(8) Regulations 5(a), (b) and (c), 8(a), (c), (e) and (g), 9(b) and (d) and 12(a), (b), (c) and (g) are deemed to have come into operation on 1 April 2013.

(9) Regulation 5(h) is deemed to have come into operation on 28 June 2013.

(10) Regulation 5(g) is deemed to have come into operation on 27 November 2014.

### **Amendment of regulation 2**

**2.** Regulation 2(1) of the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) Regulations 2005 (G.N. No. S 735/2005) (called in these Regulations the principal Regulations) is amended —

(a) by deleting the definition of “approved company” and substituting the following definition:

“ “approved company” means an approved company to which the tax exemption under section 13R of the Act applies;”;

(b) by inserting, immediately after the definition of “approved enhanced commodity derivatives trading company”, the following definition:

“ “approved feeder fund” means a company, trust fund or limited partnership —

(a) that invests its funds substantially and directly through only one approved master fund; and

(b) that is approved under section 13X of the Act,

where the tax exemption under that section applies to the company, the trustee of the trust fund or the partners of the limited partnership;”;

(c) by inserting, immediately after the definition of “Approved Headquarters Company”, the following definitions:

““approved master-feeder fund structure” means a master-feeder fund structure approved under section 13X of the Act;

“approved master fund” means a company, trust fund or limited partnership —

(a) that enables investors to invest funds in one or more underlying investments that are managed by a fund manager; and

(b) that is approved under section 13X of the Act,

where the tax exemption under that section applies to the company, the trustee of the trust fund or the partners of the limited partnership;”;

(d) by deleting the definition of “approved person” and substituting the following definition:

““approved person” means an approved person to which the tax exemption under section 13X of the Act applies;”;

(e) by inserting, immediately after the definition of “financial sector incentive (bond market) company”, the following definition:

““financial sector incentive (capital market) company” means a company approved as such under section 43Q of the Act;”;

(f) by inserting the word “and” at the end of paragraph (b) of the definition of “foreign collective investment scheme”;

(g) by deleting the word “and” at the end of paragraph (c) of the definition of “foreign collective investment scheme”;

(h) by deleting paragraph (d) of the definition of “foreign collective investment scheme”;

(i) by deleting the word “or” at the end of paragraph (c)(ii) of the definition of “incidental physical trading”;

- 
- 
- (j) by deleting the comma at the end of paragraph (d)(ii) of the definition of “incidental physical trading” and substituting the word “; or”;
  - (k) by inserting, immediately after paragraph (d) of the definition of “incidental physical trading”, the following paragraph:
    - “(e) trading by a financial sector incentive (derivatives market) company —
      - (i) in any commodity with any specified person on a spot or forward basis; and
      - (ii) in connection with and incidental to the trading by that company in any commodity derivatives, whether transacted over-the-counter or on an exchange, with that or any other specified person,”;
  - (l) by deleting the word “or” at the end of paragraph (a)(iii) of the definition of “specified person”;
  - (m) by deleting the comma at the end of sub-paragraph (iv) of paragraph (a) of the definition of “specified person” and substituting the word “; or”, and by inserting immediately thereafter the following sub-paragraph:
    - “(v) financial sector incentive (derivatives market) company,”; and
  - (n) by deleting the word “and” at the end of sub-paragraph (K) of paragraph (a) of the definition of “specified person”, and by inserting immediately thereafter the following sub-paragraph:
    - “(L) a or another financial sector incentive (derivatives market) company; and”.

---

---

**Amendment of regulation 3****3. Regulation 3 of the principal Regulations is amended —**

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

“(p) a financial sector incentive (capital market) company.”;

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

“(2AA) Despite paragraph (2) but subject to paragraph (6), a company may, on or after 1 January 2004, be approved as a financial sector incentive (fund management) company for the purposes of these Regulations if —

- (a) the company is exempted from holding a capital markets services licence for fund management under the Securities and Futures Act (Cap. 289); and
- (b) the company provides treasury, investment or financial services in Singapore for any of its offices or its associated companies.”;
- (c) by deleting sub-paragraphs (ii), (x), (xi) and (xii) of paragraph (6)(a);
- (d) by deleting the word “or” at the end of paragraph (6)(c);
- (e) by deleting the words “on or after 27th February 2009” in paragraph (6)(d) and substituting the words “between 27 February 2009 and 31 December 2013 (both dates inclusive) and on or after 1 January 2019”; and
- (f) by deleting the full-stop at the end of sub-paragraph (d) of paragraph (6) and substituting the word “; or” and by inserting immediately thereafter the following sub-paragraph: