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INCOME TAX ACT
(CHAPTER 134)

INCOME TAX
(SINGAPORE — ITALY)
(AVOIDANCE OF DOUBLE TAXATION CONVENTION)
ORDER 2012

WHEREAS it is provided by section 49 of the Income Tax Act that if the Minister by order declares that arrangements specified in the order have been made with the government of any country outside Singapore with a view to affording relief from double taxation in relation to tax under the Act and any tax of a similar character imposed by the laws of that country, and that it is expedient that those arrangements should have effect, the arrangements shall have effect in relation to tax under the Act notwithstanding anything in any written law:

AND WHEREAS it is provided by section 105C of the Income Tax Act that the Minister may by order declare an avoidance of double taxation arrangement as a prescribed arrangement for the purposes of Part XXA of the Act:

AND WHEREAS by a Convention dated 29th January 1977, between the Government of the Republic of Singapore and the Government of the Italian Republic, arrangements were made, amongst other things, for the avoidance of double taxation:

AND WHEREAS by an Additional Protocol dated 24th May 2011, between the Government of the Republic of Singapore and the Government of the Italian Republic, the arrangements set out in the said Agreement were modified as prescribed in the said Additional Protocol:

NOW, THEREFORE, it is hereby declared by the Minister for Finance —

- (a) that the arrangements specified in the Schedule to this Order have been made with the Government of the Italian Republic;
- (b) that it is expedient that those arrangements should have effect notwithstanding anything in any written law; and
- (c) that those arrangements as modified by the said Additional Protocol specified in the Schedule to this Order are a prescribed arrangement for the purposes of Part XXA of the Act.

THE SCHEDULE

ADDITIONAL PROTOCOL TO THE CONVENTION

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE

AND

THE GOVERNMENT OF THE ITALIAN REPUBLIC

FOR

THE AVOIDANCE OF DOUBLE TAXATION

AND

THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME, WITH PROTOCOL,
SIGNED AT SINGAPORE ON 29 JANUARY 1977

The Government of the Republic of Singapore and the Government of the Italian Republic,

Desiring to amend the Convention between the Government of the Republic of Singapore and the Government of the Italian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, with Protocol, signed at Singapore on 29th January 1977 (hereinafter referred to as “the Convention”),

Have agreed as follows:

THE SCHEDULE — *continued*

ARTICLE I

With respect to Article 2 (Taxes Covered) of the Convention:

Paragraph 3(b) shall be deleted and replaced by the following:

“(b) In the case of Italy:

1. the personal income tax;
2. the corporate income tax; and
3. the regional tax on productive activities,

whether or not they are collected by withholding taxes at the source.

(hereinafter referred to as “Italian tax”).”.

ARTICLE II

With respect to Article 3 (General Definitions) of the Convention:

1. Paragraph 1(a) shall be deleted and replaced by the following:

“(a) the term “Singapore” means the Republic of Singapore and, when used in a geographical sense, includes its land territory, internal waters and territorial sea, as well as any maritime area situated beyond the territorial sea which has been or might in the future be designated under its national law, in accordance with international law, as an area within which Singapore may exercise sovereign rights or jurisdiction with regards to the sea, the sea-bed, the subsoil and the natural resources;”

2. Paragraph 1(b) shall be deleted and replaced by the following:

“(b) the term “Italy” means the Italian Republic, and includes any area beyond the territorial waters which is designated as an area within which Italy, in compliance with its legislation and in conformity with the International Law, may exercise sovereign rights in respect of the exploration and exploitation of the natural resources of the seabed, the subsoil and the superjacent waters;”

3. Paragraph 1(i)(2) shall be deleted and replaced by the following:

“2. In the case of Italy, the Ministry of Economy and Finance.”

ARTICLE III

With respect to Article 5 (Permanent Establishment) of the Convention:

1. In respect of paragraph 2(g), the term “six months” shall be replaced by “twelve months”.