

Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) (Amendment No. 2) Regulations 2010

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No. S 835

INCOME TAX ACT

(CHAPTER 134)

INCOME TAX (CONCESSIONARY RATE OF TAX FOR FINANCIAL SECTOR
INCENTIVE COMPANIES) (AMENDMENT NO. 2) REGULATIONS 2010

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

Citation and commencement

1.—(1) These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) (Amendment No. 2) Regulations 2010.

(2) Regulation 9(*b*) and (*c*) shall be deemed to have come into operation on 1st January 2004.

(3) Regulations 2(*e*) (in relation to the definition of “approved start-up fund manager”), 4(*b*) and 6(*a*) shall be deemed to have come into operation on 1st September 2007.

(4) Regulations 2(*q*) and 7(*c*) and (*d*) shall be deemed to have come into operation on 1st April 2008.

(5) Regulation 9(*a*) shall be deemed to have come into operation on 1st January 2009.

(6) Regulations 3(*b*), 5(*b*) to (*e*) and 12 shall be deemed to have come into operation on 22nd January 2009.

(7) Regulations 2(*a*), (*b*), (*c*) (in relation to the definition of “approved petrochemical manufacturing company”), (*d*), (*e*) (in relation to the definition of “commodity derivatives”), (*f*) to (*i*), (*o*) and (*p*), 3(*a*), (*c*) and (*d*), 7(*a*), (*b*) (except in relation to regulation 8(1)(*o*)) and (*e*) (in relation to regulation 8(5)), 8 and 10 shall be deemed to have come into operation on 27th February 2009.

(8) Regulations 2(*c*) (in relation to the definition of “approved person”), 4(*a*) and (*c*), 6(*b*) and 9(*d*) shall be deemed to have come into operation on 1st April 2009.

(9) Regulations 2(*j*) to (*n*), 7(*b*) (in relation to regulation 8(1)(*o*)) and (*e*) (in relation to regulation 8(4) and (6)) and 11 shall be deemed to have come into operation on 1st May 2009.

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) (referred to in these Regulations as the principal Regulations) is amended —

- (a) by inserting, immediately after the definition of “Approved Derivatives Trader”, the following definition:

“ “approved enhanced commodity derivatives trading company” means a commodity derivatives trading company approved as such under section 43S of the Act;”;

- (b) by inserting, immediately after the definition of “Approved Fund Manager”, the following definition:

“ “approved global trading company” means a global trading company approved under section 43P of the Act;”;

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

“ “approved person” has the same meaning as in section 13X of the Act;

“approved petrochemical manufacturing company” means a petrochemical manufacturing company in Singapore which is approved under paragraph (g) of the definition of “physical trading” in regulation 2 of the Income Tax (Concessionary Rate of Tax for Approved Global Trading Companies) Regulations 2003 (G.N. No. S 204/2003);”;

- (d) by inserting, immediately after the definition of “Approved Securities Company”, the following definition:

“ “approved standard commodity derivatives trading company” means a commodity derivatives trading company approved as such under section 43S of the Act;”;

- (e) by deleting the definition of “approved start-up fund manager” and substituting the following definitions:

“ “approved start-up fund manager” has the same meaning as in —

(a) the Income Tax (Income from Funds Managed for Foreign Investors) Regulations 2003 (G.N. No. S 640/2003);

(b) the Income Tax (Exemption of Income of Trustee of Trust Fund Arising from Funds Managed by Fund Manager in Singapore)

Regulations 2010 (G.N. No. S 7/2010); or

- (c) the Income Tax (Exemption of Income of Non-residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (G.N. No. S 6/2010),

as the case may be;

“commodity derivatives” means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity;”;

- (f) by inserting, immediately after the definition of “designated securities”, the following definition:

““emission derivatives” means derivatives the payoffs of which are wholly linked to the payoffs or performance of underlying emission allowances;”;

- (g) by inserting, immediately after the definition of “financial sector incentive (derivatives market) company”, the following definitions:

““financial sector incentive (derivatives market) (exchange-traded commodity derivatives) company” means a company approved as such under section 43Q of the Act;

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

“financial sector incentive (derivatives market) (financial, over-the-counter and exchange-traded commodity derivatives) company” means a company approved as such under section 43Q of the Act;

“financial sector incentive (derivatives market) (over-the-counter commodity derivatives) company” means a company approved as such under section 43Q of the Act;

“financial sector incentive (derivatives market) (over-the-counter and exchange-traded commodity derivatives) company” means a company approved as such under section 43Q of the Act;”;

- (h) by inserting, immediately after the definition of “foreign trust”, the following definition:

“ “freight derivatives” means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates;”;

- (i) by inserting, immediately after the definition of “futures member of the Singapore Exchange”, the following definition:

“ “incidental physical trading” means —

- (a) trading by a financial sector incentive (derivatives market) (over-the-counter commodity derivatives) 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 transacted over-the-counter with that or any other specified person;

- (b) trading by a financial sector incentive (derivatives market) (exchange-traded commodity derivatives) 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 transacted on an exchange with that or any other specified person;

- (c) trading by a financial sector incentive (derivatives market) (over-the-counter and exchange-traded commodity derivatives) company —

- (i) in any commodity with any specified person on a spot or forward basis; and