

Income Tax (Supplementary Retirement Scheme) (Amendment) Regulations 2010

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INCOME TAX ACT
(CHAPTER 134)

INCOME TAX (SUPPLEMENTARY RETIREMENT SCHEME) (AMENDMENT)
REGULATIONS 2010

In exercise of the powers conferred by section 10L(11) of the Income Tax Act, read with section 199A of the Criminal Procedure Code (Cap. 68), the Minister for Finance hereby makes the following Regulations:

Citation and commencement

1.—(1) These Regulations may be cited as the Income Tax (Supplementary Retirement Scheme) (Amendment) Regulations 2010 and shall, with the exception of regulations 2(b), 4, 6(b) and (c), 7(c), 10(f), 11(b), 14 and 15, come into operation on 15th September 2010.

(2) Regulation 6(c) shall be deemed to have come into operation on 1st January 2009.

(3) Regulations 4(a) and (c) to (h) and 15 shall come into operation on 1st February 2011.

(4) Regulations 4(b) and 11(b) shall be deemed to have come into operation on 1st March 2010.

(5) Regulations 6(b), 7(c) and 14 shall be deemed to have come into operation on 1st October 2008.

(6) Regulations 2(b) and 10(f) shall have effect for the year of assessment 2009 and subsequent years of assessment.

Amendment of regulation 2

2. Regulation 2 of the Income Tax (Supplementary Retirement Scheme) Regulations 2003 (G.N. No. S 30/2003) (referred to in these Regulations as the principal Regulations) is amended —

(a) by deleting the definition of “financial product provider” and substituting the following definitions:

“deposit” has the meaning given to that word in section 4B of the Banking Act (Cap. 19);

“financial institution” means any institution licensed or

approved by, or registered with or otherwise regulated by, the Monetary Authority of Singapore under any written law;

“financial product provider” means any financial institution which accepts or has accepted deposits, or offers or has offered gold certificates or investment products, under the SRS;

“investment product” has the meaning given to that expression in the Financial Advisers Act (Cap. 110);” and

- (b) by renumbering the regulation as paragraph (1) of that regulation, and by inserting immediately thereafter the following paragraph:

“(2) In these Regulations other than regulation 7(2)(a), unless the context otherwise requires —

- (a) a reference to an SRS member making a contribution to his SRS account includes his employer making a contribution to that account on his behalf;
- (b) a reference to a contribution of, by or from an SRS member to his SRS account includes a contribution by his employer to that account on his behalf.”.

Amendment of regulation 4

3. Regulation 4 of the principal Regulations is amended —

- (a) by deleting sub-paragraph (c) of paragraph (1) and substituting the following sub-paragraph:

“(c) at any time, maintain comprehensive records and documents pertaining to its operation of the SRS —

- (i) for 5 years of assessment, in the case of records and documents pertaining to year of assessment 2008 or any subsequent year of assessment; or
- (ii) for 7 years of assessment, in the case of records and documents pertaining to any year of assessment before the year of assessment 2008;” and

- (b) by inserting, immediately after the word “investments” in paragraph (3)(a)(ii), the words “and deposits”.

Amendment of regulation 6

4. Regulation 6 of the principal Regulations is amended —

- (a) by deleting the words “21 years” in paragraph (1)(a) and substituting the words “18 years”;
- (b) by deleting sub-paragraph (c) of paragraph (1) and substituting the following sub-paragraph:

“(c) is not mentally disordered and is capable of managing himself and his affairs.”;

- (c) by deleting the word “Any” in paragraph (2) and substituting the words “Subject to paragraph (3), any”;
- (d) by deleting paragraph (3) and substituting the following paragraph:

“(3) Subject to paragraph (6), an SRS member shall not apply to an SRS operator to open an SRS account if —

- (a) he already has an SRS account (including one that has been suspended) with the same or another SRS operator;
- (b) he has a pending application with another SRS operator to open an SRS account; or
- (c) he previously had an SRS account with the same or another SRS operator and all the moneys in the account had been withdrawn —
 - (i) on the ground that he is physically or mentally incapacitated from ever continuing in any employment, is either (if withdrawal is made before 1st March 2010) found to be of unsound mind or (if withdrawal is made on or after that date) mentally disordered and incapable of managing himself or his affairs, or is suffering from a terminal illness or disease; or
 - (ii) on or after reaching the prescribed

retirement age prevailing at the time of his first contribution.”;

(e) by deleting paragraph (5) and substituting the following paragraphs:

“(5) Subject to paragraphs (5A) and (5B), where an applicant qualifies under paragraph (1) to be an SRS member, the SRS operator shall open an SRS account for that applicant, but only after —

(a) obtaining a declaration from the applicant that —

- (i) he has no other SRS account (including one that has been suspended) at the time of application or, if he has an SRS account with another SRS operator, he has already taken all the necessary steps to close that account;
- (ii) he does not have a pending application with another SRS operator to open an SRS account at that time; and
- (iii) he did not previously have an SRS account all the moneys in which were withdrawn on the ground referred to in paragraph (3)(c)(i), or on or after reaching the age referred to in paragraph (3)(c)(ii); and

(b) informing the applicant of the conditions of the SRS, including the following:

- (i) that an SRS member cannot have an SRS account with more than one SRS operator, a suspended SRS account being treated as an SRS account;
- (ii) the obligations of an SRS member under regulation 11(1);
- (iii) that the maximum amount of deduction under section 39(2)(o) of the Act is subject to the SRS contribution cap