

Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) (Amendment) Regulations 1999

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No. S 508

INCOME TAX ACT
(CHAPTER 134)

INCOME TAX (INCOME FROM SYNDICATED OFFSHORE CREDIT AND UNDERWRITING FACILITIES) (AMENDMENT) REGULATIONS 1999

In exercise of the powers conferred by section 43A 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 (Income from Syndicated Offshore Credit and Underwriting Facilities) (Amendment) Regulations 1999.

(2) Regulations 2 (*d*) and (*e*) and 3 (*c*) and (*d*) of these Regulations shall be deemed to have come into operation on 11th July 1997.

(3) Regulations 2 (*b*) and 3 (*b*) of these Regulations shall be deemed to have come into operation on 1st April 1998.

(4) Regulations 2 (*c*) and 3 (*a*) of these Regulations shall be deemed to have come into operation on 14th August 1998.

Amendment of regulation 2

2. Regulation 2 of the Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) Regulations (Rg 4) is amended —

- (a) by inserting, immediately after the word “credit” in the 4th line of paragraph (1), the word “, guarantee”;
- (b) by deleting the words “31st March 1998” in the 6th line of paragraph (1) and substituting the words “31st March 2003”;
- (c) by deleting the words “derived by its Asian Currency Unit” in the 2nd and 3rd lines of paragraph (2);
- (d) by inserting, immediately after the word “facility” in the 1st line of paragraph (3), the words “or a syndicated facility referred to in paragraph (b) of the definition of “syndicated offshore credit facility” in regulation 4”; and
- (e) by inserting, immediately after the word “syndicate” in the 4th line of paragraph (3), the words “or issued under the syndicated facility, as the case may be”.

Amendment of regulation 4

3. Regulation 4 of the Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) Regulations is amended —

- (a) by deleting the definition of “financial institution” and substituting the following definition:

“ “financial institution” means a bank licensed under the Banking Act (Cap. 19) or a merchant bank approved by the Monetary Authority of Singapore;”;

- (b) by inserting, immediately after the definition of “financial institution”, the following definition:

“ “specified person”, in relation to any syndicated offshore credit facility means —

- (a) a non-resident person (excluding his permanent establishment in Singapore) or a permanent establishment outside Singapore of a person resident in Singapore in respect of any business carried on outside Singapore through

that permanent establishment; and

- (b) where the agreement for the credit facility is made on or after 1st April 1998, includes a person resident in Singapore (but excluding his permanent establishment outside Singapore) and a permanent establishment in Singapore;”;
- (c) by deleting the definition of “syndicated offshore credit facility” and substituting the following definition:

“ “syndicated offshore credit facility” means —

- (a) any syndicated loan or advance or any facility whereby any fund, guarantee or letter of credit is made available where —
 - (i) in the case of an agreement for the facility made before 14th August 1998, the facility is in currencies other than Singapore dollars;
 - (ii) in the case of a loan, advance or a facility whereby funds are made available, such loan, advance or facility is to be used outside Singapore;
 - (iii) in the case of a guarantee or letter of credit, such guarantee or letter of credit is made available to, and issued in favour of, a non-resident person (but excluding his permanent establishment in Singapore) or a person resident in Singapore in respect of any business carried on outside Singapore through a permanent establishment outside Singapore;
 - (iv) in the case of a loan, advance or a facility whereby funds are made available and such loan, advance or