

Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations

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INCOME TAX ACT (CHAPTER 134, SECTION 43J)

INCOME TAX (CONCESSIONARY RATE OF TAX FOR APPROVED TRUSTEE COMPANIES) REGULATIONS

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Citation

1. These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Approved Trustee Companies) Regulations and shall have effect for the year of assessment 1992 and subsequent years of assessment.

Definitions

2. In these Regulations —

“approved trustee company” means a trustee company which is approved by the Minister or such person as he may appoint under section 43J of the Act;

“foreign bond or loan stock issues” means any bond or loan stock issued by a person not resident in Singapore (but excluding its permanent establishment in Singapore) or by a permanent establishment outside Singapore of a person resident in Singapore in respect of any business carried on outside Singapore through that permanent establishment, where —

- (a) the bond or loan stock is denominated in currencies other than Singapore dollars;
- (b) the proceeds of the bond or loan stock issue are to be used outside Singapore; and
- (c) the expenses incurred in respect of the bond or loan stock issue are not borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore;

“unit trust” means any trust established for the purpose, or having the effect, of providing facilities for the participation by persons as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property.

Concessionary rate of tax

3. Tax shall be payable at the rate of 10% on the income derived by an approved trustee company from the provision of —

- (a) any trustee or custodian services arising from a trust by deed where both the settlor and beneficiaries of the trust are —
 - (i) in the case of individuals, neither citizens of Singapore nor resident in Singapore; and
 - (ii) in the case of companies, neither incorporated nor resident in Singapore and where such a company has not more than 50 shareholders, the whole of its issued capital is beneficially owned, directly or indirectly, by persons who are neither citizens of Singapore nor resident in Singapore; and where such a company has more than 50 shareholders, not less than 95% of its issued capital is beneficially owned, directly or indirectly, by persons who are neither citizens of Singapore nor resident in