

Income Tax (Exemption and Concessionary Tax Rate for Income from Life Insurance Business) Regulations

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Legislative History

INCOME TAX ACT (CHAPTER 134, SECTION 43C)

INCOME TAX (EXEMPTION AND CONCESSIONARY TAX RATE FOR INCOME FROM LIFE INSURANCE BUSINESS) REGULATIONS

Rg 28

G.N. No. S 212/1995

REVISED EDITION 1996

(15th May 1996)

[5th May 1995]

Citation

1. These Regulations may be cited as the Income Tax (Exemption and Concessionary Tax Rate for Income from Life Insurance Business) Regulations and shall have effect for the year of assessment 1996 and subsequent years of assessment.

*[S 81/2009 wef Y/A 2005 & Sub Ys/A]
[S 320/2016 wef 05/07/2016]*

Definitions

2. In these Regulations —

“approved captive insurer” means any captive insurer approved under regulation 3A;

[S 81/2009 wef 17/02/2006]

“approved insurer” means any insurer approved under regulation 3;

[S 81/2009 wef Y/A 2005 & Sub Ys/A]

“Asian Currency Unit” means an operational unit that was approved by the Monetary Authority of Singapore under section 77(5) of the Banking Act (Cap. 19) as in force immediately before 1 July 2021;

[S 491/2021 wef 01/07/2021]

[Deleted by S 320/2016 wef 01/04/2013]

“capital allowances” means the allowances under section 19, 19A, 20, 21, 22 or 23 of the Act;

“captive insurer” has the same meaning as in section 1A of the Insurance Act (Cap. 142);

[S 81/2009 wef 17/02/2006]

“captive life business” means the life business of an approved captive insurer which consists of risks of its related companies, including third-party risks underwritten in the course of and incidental to that business;

[S 491/2021 wef 01/07/2021]

“deposit” has the meaning given by section 4B(4) of the Banking Act;

[S 491/2021 wef 01/07/2021]

“direct insurer” has the meaning given by section 1A of the Insurance Act (Cap. 142);

[S 491/2021 wef 01/07/2021]

“direct life insurer” means a direct insurer licensed under section 8 of the Insurance Act to carry on life business;

[S 491/2021 wef 01/07/2021]

“direct life risk” means a life risk insured by a direct life insurer;

[S 491/2021 wef 01/07/2021]

“dividends”, in relation to income derived on or after 1 July 2021, means dividends paid by a company, other than those exempt from tax under section 13(1)(za), (8) or (12) of the Act;

[S 491/2021 wef 01/07/2021]

“interest from ACU deposits” means interest derived from deposits held with an Asian Currency Unit in Singapore;

[S 320/2016 wef 05/07/2016]

“life business” has the meaning given by section 2(1)(a) of the Insurance Act;

[S 491/2021 wef 01/07/2021]

“life insurance fund”, “non-participating fund”, “offshore life business”, “offshore life reinsurance business”, “offshore risk”, “onshore life business”, “onshore life reinsurance business” and “participating fund” have the meanings given by section 26(12) of the Act;

[S 491/2021 wef 01/07/2021]

“non-participating policy” has the meaning given by paragraph 6A(1) of the First Schedule to the Insurance Act;

[S 491/2021 wef 01/07/2021]

“offshore captive insurance business” means the offshore life business in relation to the risks of related companies, including third party offshore risks underwritten in the course of and incidental to the captive insurance business;

[S 81/2009 wef 17/02/2006]

“offshore captive life business” means captive life business concerned with offshore risks;

[S 491/2021 wef 01/07/2021]

“offshore investments” means —

- (a) stocks and shares denominated in any foreign currency of companies not incorporated and not resident in Singapore;
- (b) securities, other than stocks and shares, denominated in any foreign currency (including bonds, notes, certificates of deposit and treasury bills) issued by foreign governments, foreign banks outside Singapore and companies not incorporated and not resident in Singapore;
- (c) futures contracts denominated in any foreign currency made in any futures exchange;
- (d) any immovable property situated outside Singapore;
- (e) certificates of deposit, notes and bonds issued by Asian Currency Units in Singapore;
- (f) Asian Dollar Bonds approved under section 13(1)(v) of the Act; and
- (g) foreign currency deposits held outside Singapore with financial institutions outside Singapore;

[S 320/2016 wef 05/07/2016]

[Deleted by S 491/2021 wef 01/07/2021]

“offshore life insurance surplus”, in relation to an approved insurer or an approved captive insurer, has the meaning given by section 26(12) of the Act to the term

“offshore life insurance surplus” in relation to an insurer under section 26(7A)(a)(i) of the Act, with the reference to the insurer under section 26(7A)(a)(i) of the Act substituted with a reference to the approved insurer or approved captive insurer;

[S 491/2021 wef 01/07/2021]

“offshore life policy” means a life policy that is not a Singapore policy within the meaning of paragraph 2(1)(a) of the First Schedule to the Insurance Act;

[S 603/2017 wef 28/11/2013]

“onshore life insurance surplus”, in relation to an approved insurer or an approved captive insurer, has the meaning given by section 26(12) of the Act to the term “onshore life insurance surplus” in relation to an insurer under section 26(7A)(a)(i) of the Act, with the reference to the insurer under section 26(7A)(a)(i) of the Act substituted with a reference to the approved insurer or approved captive insurer;

[S 491/2021 wef 01/07/2021]

“participating policy” has the same meaning as in paragraph 6A of the First Schedule to the Insurance Act ;

[S 81/2009 wef Y/A 2006 & Sub Ys/A]

[S 748/2010 wef 01/04/2008]

“prescribed asset or project” means an infrastructure asset or project prescribed in regulation 5 of the Income Tax (Qualifying Project Debt Securities) Regulations 2008 (G.N. No. S 315/2008);

[S 491/2021 wef 01/07/2021]

“qualifying interest” means —

- (a) any interest derived from a deposit held in a bank;
- (b) any interest derived from a certificate of deposit issued by a bank; or
- (c) any interest derived from debt securities, other than interest that is exempt from tax under section 13(1)(b)(i) or (bc)(i) of the Act, or an amount that is exempt from tax under section 13(1)(bd) of the Act;

[S 491/2021 wef 01/07/2021]

“qualifying investment” means —

- (a) any stock or share of a company;
- (b) securities (other than stocks and shares), bonds, notes, certificates of deposits or treasury bills that are issued by a government, bank or company;
- (c) any futures contract traded on a future exchange; or
- (d) any investment in a prescribed asset or project;