

Income Tax (International Tax Compliance Agreements) (United States of America) Regulations 2020

Table of Contents

Enacting Formula

Part 1 PRELIMINARY

1 Citation and commencement

2 Implementation of Agreement

3 General definitions

4 Meanings of "financial institution" and "reporting Singaporean financial institution"

5 Meaning of "custodial institution"

6 Meaning of "depository institution"

7 Meaning of "investment entity"

8 Meaning of "specified insurance company"

Part 2 OBLIGATIONS IN RELATION TO FINANCIAL ACCOUNTS

9 Identification obligation

10 Reporting obligation

Part 3 OBLIGATIONS IN RELATION TO PAYMENTS TO NON-PARTICIPATING FINANCIAL INSTITUTION

11 Identification and disclosure obligations

**Part 4 NON-REPORTING SINGAPOREAN FINANCIAL INSTITUTIONS,
EXEMPT BENEFICIAL OWNERS AND EXCLUDED ACCOUNTS**

**12 Non-reporting Singaporean financial institutions and exempt
beneficial owners**

13 Accounts that are not U.S. reportable accounts

**THE SCHEDULE Agreement between the Government of the Republic of
Singapore and the Government of the United States of America to Improve
International Tax Compliance and to Implement FATCA**

No. S 716

**INCOME TAX ACT
(CHAPTER 134)**

**INCOME TAX
(INTERNATIONAL TAX COMPLIANCE AGREEMENTS)
(UNITED STATES OF AMERICA) REGULATIONS 2020**

In exercise of the powers conferred by section 105P of the Income Tax Act, the Minister for Finance makes the following Regulations:

PART 1

PRELIMINARY

Citation and commencement

1. These Regulations are the Income Tax (International Tax Compliance Agreements) (United States of America) Regulations 2020 and come into operation on 1 January 2021.

Implementation of Agreement

2.—(1) These Regulations have effect for and in connection with the implementation

of obligations arising under the agreement reached between the Government of the Republic of Singapore and the Government of the United States of America to improve international tax compliance and to implement the Foreign Account Tax Compliance Act (FATCA) done at Singapore on 13 November 2018, as corrected by agreement between the Government of the Republic of Singapore and the Government of the United States of America on 27 November 2019 (called in these Regulations the Agreement).

(2) The Agreement is set out in the Schedule.

General definitions

3.—(1) In these Regulations —

(a) “qualifying collective investment scheme” means a collective investment scheme constituted in Singapore —

(i) that is authorised under section 286 of the Securities and Futures Act (Cap. 289); or

(ii) the units of which are or are to be the subject of an offer or intended offer to which Subdivisions (2) and (3) of Division 2 of Part XIII of that Act do not apply or apply with modifications by reason of section 304 or 305 of that Act; and

(b) the expressions “approved exchange”, “collective investment scheme” and “unit” have the meanings given to them in the Securities and Futures Act.

(2) In these Regulations, expressions defined in the Agreement but not in the Act or these Regulations have the same meanings as in the Agreement.

(3) The following table lists the places where expressions in these Regulations are defined or otherwise explained:

<i>First column</i>	<i>Second column</i>
<i>Expression</i>	<i>Reference</i>
annuity contract	Regulation 3(2) with paragraph 1(x) of Article 1 of the Agreement
cash value insurance contract	Regulation 3(2) with paragraph 1(y) of Article 1 of the Agreement
exempt beneficial owner	Regulation 3(2) with Sections I and II of Annex II to the Agreement

financial account	Regulation 3(2) with paragraph 1(<i>s</i>) of Article 1 of the Agreement, and regulation 13
NFFE	Regulation 3(2) with paragraph B(2) of Section VI of Annex I to the Agreement
non-participating financial institution	Regulation 3(2) with paragraph 1(<i>r</i>) of Article 1 of the Agreement
non-reporting Singaporean financial institution	Regulation 3(2) with paragraph 1(<i>q</i>) of Article 1 of the Agreement, and regulation 12
U.S. reportable account	Regulation 3(2) with paragraph 1(<i>cc</i>) of Article 1 of, and paragraph B(4) of Section I of Annex I to, the Agreement, and regulation 13

Meanings of “financial institution” and “reporting Singaporean financial institution”

4.—(1) In these Regulations, “financial institution” means —

- (a) a custodial institution;
- (b) a depository institution;
- (c) an investment entity; or
- (d) a specified insurance company.

(2) In these Regulations, “reporting Singaporean financial institution” means —

- (a) any financial institution that is a tax resident in Singapore, or incorporated, formed or established under the laws of Singapore, but excludes any branch of the financial institution located outside Singapore; or
- (b) a branch located in Singapore of a financial institution that is not a tax resident in Singapore, nor incorporated, formed or established under the laws of Singapore,

but excludes any non-reporting Singaporean financial institution other than one to which a number known as a “Global Intermediary Identification Number” (GIIN) has been properly allocated by the Internal Revenue Service in the United States of America for the purposes of FATCA.

Meaning of “custodial institution”

5.—(1) In these Regulations, “custodial institution” means —

- (a) the holder of a capital markets services licence under the Securities and Futures Act for carrying out the regulated activity of providing custodial services for specified products;
- (b) a person (other than an individual) that is exempt under section 99(1)(a) to (d), (g) and (h) of the Securities and Futures Act read with paragraph 6 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Cap. 289, Rg 10), from the requirement to hold a capital markets services licence to carry out the regulated activity of providing custodial services for specified products;
- (c) a licensed trust company under the Trust Companies Act (Cap. 336); or
- (d) any other person (other than an individual) that holds, as a substantial portion of the person’s business (within the meaning of paragraph 1(h) of Article 1 of the Agreement), financial assets for the account of others.

(2) A person is not a custodial institution for the purposes of paragraph (1) if it is an NFFE that meets the criteria in paragraph B(4)(e) of Section VI of Annex I to the Agreement.

Meaning of “depository institution”

6. In these Regulations, “depository institution” means —

- (a) a bank that holds a licence under section 7 or 79 of the Banking Act (Cap. 19);
- (b) a finance company licensed under the Finance Companies Act (Cap. 108);
or
- (c) a merchant bank that holds a merchant bank licence, or is treated as having been granted a merchant bank licence, under the Banking Act.

[S 476/2021 wef 01/07/2021]

[S 476/2021 wef 01/07/2021]

Meaning of “investment entity”

7.—(1) In these Regulations, “investment entity” means —

- (a) the holder of a capital markets services licence under the Securities and Futures Act to carry out one or more of the following regulated activities: