Income Tax (PIC Automation Equipment) Rules 2012

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Enacting Formula

No. S 209

INCOME TAX ACT
(CHAPTER 134)

INCOME TAX
(PIC AUTOMATION EQUIPMENT)
RULES 2012

In exercise of the powers conferred by section 7(1), the definition of "PIC automation equipment" in section 19A(15), and section 19A(17) of the Income Tax Act, the Minister for Finance hereby makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Income Tax (PIC Automation Equipment) Rules 2012 and shall have effect for the year of assessment 2011 and subsequent years of assessment.

Automation equipment

2. The automation equipment specified in the Schedule are hereby prescribed for the purposes of the deduction to be allowed under section 14T of the Act and the allowances to be made under section 19A(2A) and (2B) of the Act.

Criteria for approving automation equipment

3.—(1) For the purpose of section 19A(17) of the Act, the Minister or the person appointed by him may approve any automation equipment as a PIC automation equipment for a person (referred to in this paragraph as the applicant) if the Minister or appointed person is satisfied that —

    (*a*)   the automation equipment is or is intended to be put into use in one or more of the work processes of the trade, profession or business of the applicant; and

<div align="right">[S 478/2015 wef Y/A 2013 and sub Ys/A]</div>

    (*b*)   the automation equipment enhances or will enhance the productivity of the applicant in carrying on or exercising the trade, profession or business.

<div align="right">[S 478/2015 wef Y/A 2013 and sub Ys/A]</div>

    (*c*)   [*Deleted by S 478/2015 wef Y/A 2013 and sub Ys/A*]

  (2) An application for approval shall —

    (*a*)   be made to the Minister or appointed person before the expiration of the time the applicant has to furnish a return of his income for the year of assessment in question, or within such time as may be allowed by the Minister or appointed person in a particular case; and

    (*b*)   be accompanied by such information and supporting documents in such form and manner as the Minister or appointed person may specify.

<div align="center">THE SCHEDULE</div>

<div align="right">Rule 2</div>

<div align="center">PART 1</div>

<div align="center">AUTOMATION EQUIPMENT</div>

<div align="right">[S 478/2015 wef Y/A 2013 and sub Ys/A]</div>

1. Image or graphics processing equipment, including display, facsimile, optical character reader, laser printer, plotter, image setter, digital printing, direct imaging equipment and scanner.

2. Data processing and information technology equipment, including mainframe, minicomputer, microcomputer, desktop, laptop, mobile phone, personal digital assistant and other information technology devices and peripherals.

3. Data communications and networking equipment, including modem, multiplexor, network processor, servers, interface converter, routers, switches, networks, cabling infrastructure, IP telephony systems, broadband connectivity equipment and security and authentication infrastructure.

4. Information technology software including office system software and software used in connection with provision of any office automation service, enterprise resource planning, customer relationship management such as reservations, registration, queue management, ordering, billings and collections, inventory management, record management, knowledge management, human resource and payroll management, financial information and business management such as accounting and assets management, and personnel business travel request, information and management.

5. Computer-aided design system software and computer-aided manufacturing system software.

6. Surface mount technology machine which is used for the automatic assembly of surface mount devices onto printed circuit boards.

7. Computer controlled machine for joining, cutting or removal operations, including CNC welding machine, CNC lathes, milling machines, EDM wirecut, machining centers, grinders, presses and laser equipment.

8. Unmanned automated guided vehicle which is reprogrammable and used for the transfer of goods or materials within a factory or an office.

9. Co-ordinate measuring machine which is controlled by computer and used for the precise measurement of components for industrial, research or training purposes, including auto in-line vision inspection system and automated testing equipment.

10. Automated system for storage and retrieval of information, including Radio-Frequency Identification (RFID) system and bar-coding system, and automated machine for the storage and retrieval of goods or materials, which is controlled by computer and installed with automatic retrieval devices.

11. Flexible manufacturing cells consisting of an integrated manufacturing system comprising at least a computer controlled machine and a robot, including assembly robots, robotic systems and auto-packing lines.

12. Automated warehousing equipment and software, including Integrated Transport Fleet Management System, Integrated Warehouse Management System (Radio Frequency Terminals) and Very Narrow Aisle (VNA), automatic material handling, collating and binding equipment, Enterprise Resource Planning systems and Materials Resource Planning and Manufacturer Resource Planning software systems.

13. Automated inspection, testing, packaging and control system for chemicals, pharmaceuticals, medical devices and other automated manufacturing including high speed tabletting machines, high speed packaging machines, such as for blister packaging, infra-red probe for control and inspection, vision devices to check mould function or parts inspection, in-mould transfer parts sorting system and analysis equipment for quality control and assurance.

14. Injection mould and extrusion machines used for making plastic, ceramic, metal or silicone rubber components in factory production.

15. Automated chemicals handling equipment, system or line.

16. Computer-to-plate and computer-to-press systems, and computer controlled offset printing press, used in drafting and printing business.

17. Automated machinery and systems for food processing and packaging or food preservation.

18. Equipment used in the manufacture (including assembly and testing) of semiconductor wafers or packaged ICs.

19. Automatic equipment used for assembly and testing operations.

20. Automated equipment used in port-related operations.

21. Automotive navigation systems including telematics system and global positioning system.

22. Automated kitchen equipment (including but not limited to any automated equipment used for food processing or preparation, dishwasher and blast freezer) used in connection with the sale of any food, where such sale forms the whole or a part of the applicant's trade, profession or business.

23. Interactive shopping carts or kiosks.

24. Automated drugs dispensing system for healthcare-related operations.

25. Automated housekeeping equipment including any mattress-lifting equipment for hospitality-related operations.

26. Automated seating systems for convention or exhibition centre, including retractable theatre-style seating.

27. Self-climbing scaffold system.

28. Concrete pumps, whether stationary or mounted on vehicles.

29. Ride-on power float machine.

30. Automated sorting system, automatic inserting system with high speed cutting, collating, folding and inserting of documents into envelopes, and automatic packaging system for packaging or repackaging of products into plastic films or plastic wraps.

31. Hydraulic bucking unit which includes high automatic function for quick make-up or break-out.

32. Automated machine used in laundry processes, including automatic linen feeder, automatic linen folder and stacker, laundry conveyor system and automatic garments managing system, but excludes washing or drying machine.

33. Automated sludge treatment machine.

34. Automatic machine used in vegetable farming processes, including auto-seeding machine for