

Income Tax (Amendment No. 2) Bill

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Bill No: 43/2007

Read the first time: 22nd October 2007

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Explanatory Statement

Expenditure of Public Money

Income Tax (Amendment No. 2) Bill

Bill No. 43/2007

Read the first time on 22nd October 2007.

An Act to amend the Income Tax Act (Chapter 134 of the 2004 Revised Edition) and to make consequential amendments to the Economic Expansion Incentives (Relief from Income Tax) Act (Chapter 86 of the 2005 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

- 1.—(1) This Act may be cited as the Income Tax (Amendment No. 2) Act 2007.
- (2) Sections 3(*e*) and 5 shall be deemed to have come into operation on 17th February 2006.
- (3) Sections 6(*a*) (in relation to section 13(1)(*b*)(*i*)), (*h*) (in relation to section 13(2C)(*a*), (2D)(*a*) and (2E)), (*k*) and (*m*) and 31(*d*) shall be deemed to have come into operation on 1st November 2006.
- (4) Sections 6(*g*) (in relation to section 13(1)(*zj*)(*ii*) and (*iii*)), 25(*e*) and 29 shall be deemed to have come into operation on 1st January 2007.
- (5) Sections 3(*c*) and (*d*), 6(*a*) (in relation to section 13(1)(*b*)(*ii*), (*iii*), (*ba*) and (*bb*)), (*g*) (in relation to section 13(1)(*zk*) and (*zl*)), (*h*) (in relation to section 13(2C)(*b*) and (*c*), (2D)(*b*) and (*c*), (2F) and (2G)), (*i*), (*l*) and (*n*), 9, 11 (in relation to section 13U), 16(*b*), (*c*) and (*d*), 23, 27 and 32 shall be deemed to have come into operation on 15th February 2007.
- (6) Sections 15(*a*), 28, 42(*c*), (*d*), (*g*) and (*i*) and 43(*b*) shall be deemed to have come into operation on 1st March 2007.
- (7) Sections 11 (in relation to section 13V) and 12(*b*) shall be deemed to have come into operation on 1st July 2007.
- (8) Sections 7, 10, 14 and 42(*o*) shall be deemed to have come into operation on 1st September 2007.
- (9) Sections 6(*b*) and (*d*), 34, 35(*a*), 39(*b*), 40 and 43(*c*) shall come into operation on 1st January 2008.
- (10) Sections 4, 6(*e*), (*g*) (in relation to section 13(1)(*zj*)(*i*) and (*zm*)), (*j*) and (*o*), 8, 12(*a*), 13, 18, 19, 20(*f*), 22, 24, 25(*a*) to (*d*), (*f*), (*g*), (*h*) and (*j*), 26, 31(*a*) and (*c*), 33, 41 and 43(*a*) shall have effect for the year of assessment 2008 and subsequent years of assessment.
- (11) Sections 15(*b*) to (*e*), 16(*a*) and (*e*), 20(*a*), (*c*), (*d*) and (*e*), 21, 36, 37, 38 and 39(*a*) shall have effect for the year of assessment 2009 and subsequent years of assessment.

Amendment of section 6

2. Section 6 of the Income Tax Act (referred to in this Act as the principal Act) is amended by inserting, immediately after subsection (11), the following subsections:

“(12) Notwithstanding subsections (1) and (2) and without prejudice to subsections (5) to (11), the Comptroller may disclose information relating to the income or items of income of any person to any of the following with the express consent of the person to whom the information relates:

- (a) to any public officer or officer of a statutory board for the performance of his official duties in administering or facilitating the administration of any written law or public scheme; or
- (b) to any other person who is engaged by the Government or a statutory board to facilitate the administration of such written law or public scheme, if the Comptroller has obtained a written undertaking from the other person that he shall be bound by the same obligations as to secrecy imposed by subsections (1), (2) and (3).

(13) Notwithstanding anything in this section, the Comptroller may furnish to the Government or any statutory board for any statistical or research purpose any information relating to any person in a manner that does not identify, and is not reasonably capable of being used to identify, that person.”.

Amendment of section 10

3. Section 10 of the principal Act is amended —

(a) by inserting, immediately after subsection (8), the following subsections:

“(8A) For the purpose of subsection (1)(d) —

- (a) any discount on any debt security shall be deemed to accrue when the debt security is redeemed;
- (b) subject to any exemption from tax provided under this Act, the discount shall be deemed to be income chargeable to tax of the holder of the debt security immediately before such redemption; and
- (c) the discount on any debt security shall be deemed to be an amount equal to the difference between —
 - (i) the amount payable to the holder of the debt security upon the maturity or any earlier redemption of the debt security; and
 - (ii) the amount paid by the first holder of the debt security for the issue of the debt security.