

Income Tax (Amendment) Bill

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Bill No: 6/1980

Read the first time: 26th February 1980

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Explanatory Statement

Expenditure of Public Money

Income Tax (Amendment) Bill

Bill No. 6/1980

Read the first time on 26th February 1980.

An Act to amend the Income Tax Act (Chapter 141 of the Revised Edition).

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

Short title

- 1.—(1) This Act may be cited as the Income Tax (Amendment) Act, 1980.
- (2) Sections 2(b), 2(c) and 3(a) shall have effect for the year of assessment 1979 and subsequent years of assessment.
- (3) Sections 2(a), 7, 8(b), 10, 11 and 12 shall have effect for the year of assessment 1980 and subsequent years of assessment.

Amendment of section 10

2. Section 10 of the Income Tax Act (hereinafter in this Act referred to as the principal Act) is amended —

- (a) by inserting, immediately after the word “property” at the end of subsection (1A), the words “and for the purposes of this proviso any property owned by a married woman living with her husband shall be deemed to be owned by the husband”;
- (b) by deleting subsection (6A); and
- (c) by inserting, immediately after subsection (7), the following subsection: —

“(8) Any maintenance payment received by a child under a maintenance order or a deed of separation shall not be deemed to be income for the purposes of paragraph (e) of subsection (1) of this section.”.

Amendment of section 13

3. Section 13 of the principal Act is amended —

(a) by deleting the full-stop at the end of paragraph (w) of subsection (1) and substituting a semicolon, and by inserting immediately thereafter the following paragraph: —

“(x) the income derived by a person resident in Singapore from any pension granted under any written law relating to pensions in Singapore or under such other pensions scheme as may be approved by the Minister by notification in the *Gazette*.”;

(b) by inserting, immediately after the word “tax” in the first line of subsection (7), the words “wholly or in part”; and

(c) by deleting subsection (8) and substituting the following: —

“(8) Any order made under subsection (7) of this section may be either general or specific and may prescribe the conditions subject to which the income will be exempt from tax but such conditions need not be included in the order for the purpose of publication in the *Gazette*.”.

Amendment of section 14

4. Section 14 of the principal Act is amended by inserting, immediately after subsection (3), the following subsection: —

“(3A) For the purposes of application to a motor car acquired on or after the 1st day of April 1979, the reference to “fifteen thousand dollars” in subsection (3) of this section shall, wherever it occurs, be read as a reference to “twenty-five thousand dollars”.”.

Amendment of section 14B

5. Section 14B of the principal Act is amended by deleting paragraph (c) of subsection (3) and substituting the following: —

“(c) any expenses incurred during its tax relief period (or qualifying period in the case of investment allowance) by a company which is given tax relief under the Economic Expansion Incentives (Relief from Income Tax) Act (Cap. 135);”.

New sections 14C and 14D

6. The principal Act is amended by inserting, immediately after section 14B, the following sections: —

“Further deduction for export market development expenditure

14C.—(1) Subject to this section, where the Comptroller is satisfied that —

- (a) export market development expenditure for the carrying out of an approved marketing project overseas; or
- (b) advertising expenses in respect of advertisements placed in any approved Singapore publication designed for publicity overseas,

have been incurred on or after the 1st day of April 1979, by a company resident in Singapore principally for promoting the export of goods manufactured in Singapore, there shall be allowed a further deduction of the amount of such expenditure in addition to the deduction allowed under section 14 of this Act.

(2) The Minister may specify the maximum amount of export market development expenditure (or any item thereof) or of advertising expenses to be allowed under subsection (1) of this section.

(3) No deduction shall be allowed under this section in respect of —

- (a) any expenses which are not allowed as deductions under section 14 of this Act;
- (b) any expenses incurred during its tax relief period (or qualifying period in the case of investment allowance) by a company which is given tax relief under the Economic Expansion Incentives (Relief from Income Tax) Act (Cap. 135);
- (c) any expenses which are allowed as deductions under section 14B of this Act; or
- (d) travelling, accommodation and subsistence expenses or allowances for more than two employees taking part overseas in the approved marketing project.

(4) For the purposes of this section —

- (a) “approved” means approved by the Minister or such person as he may appoint;
- (b) “export market development expenditure” means —
 - (i) expenses directly attributable to the carrying out of export