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**No. S 236**

**INCOME TAX ACT  
(CHAPTER 134)**

**INCOME TAX (CONCESSIONARY RATE OF TAX  
FOR APPROVED QUALIFYING COMPANIES)  
(AMENDMENT) REGULATIONS 2017**

In exercise of the powers conferred by section 43P(1) of the Income Tax Act, the Minister for Finance makes the following Regulations:

**Citation and commencement**

1.—(1) These Regulations are the Income Tax (Concessionary Rate of Tax for Approved Qualifying Companies) (Amendment) Regulations 2017.

(2) Regulations 2, 3, 4, 5(b) and (c) and 6 are deemed to have come into operation on 25 March 2016.

(3) Regulation 5(a) is deemed to have come into operation on 21 May 2010.

**Deletion and substitution of regulation 2 and new regulation 2A**

2. Regulation 2 of the Income Tax (Concessionary Rate of Tax for Approved Qualifying Companies) Regulations 2013 (G.N. No. S 731/2013) (called in these Regulations the principal Regulations) is deleted and the following regulations substituted therefor:

**“Definitions**

2. In these Regulations, unless the context otherwise requires —

“approved qualifying company” means an approved qualifying company mentioned in section 43P of the Act;

“AT1 instrument” means a security (not being a stock or a share) commonly known as Additional Tier 1 capital instrument;

“collective investment scheme” has the same meaning as in section 2(1) of the Securities and Futures Act (Cap. 289);

“prescribed advisory services in relation to mergers and acquisitions” means advisory services provided by an approved qualifying company to its associated company in relation to any merger and acquisition that involves the associated company or another associated company of the approved qualifying company;

“prescribed qualifying structured commodity financing activities” means any of the activities specified in the Schedule;

“prescribed treasury activities” means —

(a) the provision of services in relation to the consolidation, management and distribution of funds by an approved qualifying company to any of its associated companies; and

(b) the following activities carried out by an approved qualifying company on its own account:

(i) transacting or investing in stocks and shares of any company;

(ii) transacting or investing in certificates of deposit, notes, bonds, treasury bills, commercial papers, AT1 instruments and collective investment schemes (excluding any collective investment scheme constituted as a unit trust) issued or operated by —

(A) the Government or any foreign government;

- (B) a bank licensed under the Banking Act (Cap. 19);
  - (C) a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
  - (D) a bank outside Singapore; or
  - (E) a company;
- (iii) investing in deposits held in Singapore with any financial institution in Singapore, or in deposits held outside Singapore with any financial institution outside Singapore;
  - (iv) foreign exchange transactions;
  - (v) re invoicing activities for its associated companies;
  - (vi) providing credit facilities to its associated companies;
  - (vii) transactions involving derivatives (including transactions involving interest rate or currency swaps and transactions in financial futures contracts or options) entered into with —
    - (A) any bank outside Singapore;
    - (B) any bank licensed under the Banking Act or merchant bank approved under section 28 of the Monetary Authority of Singapore Act;
    - (C) its associated companies; or
    - (D) a member of any exchange;
  - (viii) transacting or investing in units in any unit trust, where the manager of the unit trust engages wholly in one or more of the