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**INCOME TAX ACT
(CHAPTER 134)**

**INCOME TAX (CONCESSIONARY RATE OF
TAX FOR FINANCIAL SECTOR INCENTIVE COMPANIES)
(AMENDMENT) REGULATIONS 2017**

In exercise of the powers conferred by section 43Q 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 Financial Sector Incentive Companies) (Amendment) Regulations 2017 and, except for regulations 2(*d*) to (*i*), 3, 4, 5, 6(*a*) and (*b*), 7 and 8, are deemed to have come into operation on 1 April 2015.

(2) Regulation 7 is deemed to have come into operation on 16 February 2008.

(3) Regulation 6(*b*) is deemed to have come into operation on 7 July 2010.

(4) Regulations 2(*g*) and (*i*), 6(*a*) and 8 are deemed to have come into operation on 29 May 2015.

(5) Regulations 2(*e*), (*f*) and (*h*), 4(*a*) to (*d*) and (*f*) and 5 are deemed to have come into operation on 1 April 2016.

(6) Regulation 2(*d*) is deemed to have come into operation on 11 April 2016.

(7) Regulations 3 and 4(*e*) are deemed to have come into operation on 1 June 2017.

Amendment of regulation 2

2. Regulation 2(1) of the Income Tax (Concessionary Rate of Tax for Financial Sector Incentive Companies) Regulations 2005 (G.N. No. S 735/2005) (called in these Regulations the principal Regulations) is amended —

(a) by inserting, immediately before the definition of “approved company”, the following definitions:

““approved 1st tier SPV”, in relation to an approved master-feeder fund-SPV structure or an approved master fund-SPV structure, means a special purpose vehicle —

- (a) that is wholly owned by the master fund of the structure;
- (b) that is approved under section 13X of the Act; and
- (c) to which the tax exemption under that section applies;

“approved 2nd tier SPV”, in relation to an approved master-feeder fund-SPV structure or an approved master fund-SPV structure, means a special purpose vehicle —

- (a) that is wholly owned by an approved 1st tier SPV of the structure;
- (b) that is approved under section 13X of the Act; and
- (c) to which the tax exemption under that section applies;”;

(b) by inserting, immediately after the definition of “approved master-feeder fund structure”, the following definition:

““approved master-feeder fund-SPV structure” means a master-feeder fund-SPV structure approved under section 13X of the Act;”;

- (c) by inserting, immediately after the definition of “approved master fund”, the following definition:

““approved master fund-SPV structure” means a master fund-SPV structure approved under section 13X of the Act;”;

- (d) by deleting the word “Non-residents” in the definitions of “approved start-up fund manager”, “designated investments” and “designated person” and “prescribed person” and substituting in each case the words “Prescribed Persons”;

- (e) by inserting, immediately after the definition of “designated securities”, the following definition:

““eligible holding company” has the same meaning as in regulation 2 of the Income Tax (Exemption of Income of Foreign Trusts) Regulations (Rg 24);”;

- (f) by inserting, immediately after the definition of “financial sector incentive (standard tier) company”, the following definitions:

““financial sector incentive (trustee companies) company” means a company approved as such under section 43Q of the Act;

“foreign account” has the same meaning as in section 13O of the Act;”;

- (g) by deleting the words “last day” in the definition of “non-qualifying investor” and substituting the words “relevant day”;

- (h) by inserting, immediately after the definition of “offshore trade transaction”, the following definition:

““philanthropic purpose trust” has the same meaning as in section 13O of the Act;”;

(i) by inserting, immediately after the definition of “related party”, the following definition:

“ “relevant day”, in relation to the basis period for a year of assessment, means —

(a) in relation to a prescribed person —

- (i) the last day of the basis period;
- (ii) if on a day within that basis period, the prescribed person becomes an approved person under section 13X(1)(a) of the Act, the day immediately before that day; or
- (iii) if on a day within that basis period, the prescribed person becomes the approved master fund or an approved feeder fund of —
 - (A) an approved master-feeder fund structure under section 13X(1)(b) of the Act;
 - (B) an approved master-feeder fund-SPV structure under section 13X(1)(c) of the Act; or
 - (C) an approved master fund-SPV structure under section 13X(1)(d) of the Act,the day immediately before that day; or

(b) in relation to an approved company —

(i) the last day of the basis period;
or

(ii) if within that basis period, the approved company ceases to be so approved, the last day it was so approved;”;

(j) by inserting, immediately after the definition of “shipping enterprise”, the following definition:

““special purpose vehicle” has the same meaning as in section 13X(5) of the Act;”.

New regulation 2A

3. The principal Regulations are amended by inserting, immediately after regulation 2, the following regulation:

“Application

2A. These Regulations apply to every finance sector incentive company that is approved as such under regulation 3(1) or (5) before 1 June 2017, until the expiry of the period of the approval.”.

Amendment of regulation 3

4. Regulation 3 of the principal Regulations is amended —

(a) by deleting the full-stop at the end of sub-paragraph (p) of paragraph (1) and substituting a semi-colon, and by inserting immediately thereafter the following sub-paragraph:

“(q) a financial sector incentive (trustee companies) company.”;

(b) by deleting the words “and (5A)” in paragraph (3) and substituting the words “, (5A) and (5B)”;

(c) by inserting, immediately after the words “paragraphs (5A)” in paragraph (5), “, (5B)”;