

Income Tax (Concessionary Rate of Tax for Approved Global Trading Companies) (Amendment) Regulations 2008

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No. S 189

**INCOME TAX ACT
(CHAPTER 134)**

**INCOME TAX (CONCESSIONARY RATE OF TAX FOR APPROVED GLOBAL
TRADING COMPANIES) (AMENDMENT) REGULATIONS 2008**

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

Citation and commencement

- 1.** —(1) These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Approved Global Trading Companies) (Amendment) Regulations 2008.
- (2) Regulations 2(c) and (j) and 4(d) shall be deemed to have come into operation on

26th May 2005.

(3) Regulation 2(*e*) (in relation to paragraph (*i*) of the definition of “physical trading”) and (*h*) shall be deemed to have come into operation on 1st July 2006.

(4) Regulations 2(*a*), (*b*) (in relation to paragraph (ix) of the definition of “commodity futures trading”), (*e*) (in relation to paragraph (*h*) of the definition of “physical trading”) and (*i*), 3(*a*) and (*d*), 4(*c*) and 6 shall be deemed to have come into effect for the year of assessment 2006 and subsequent years of assessment.

Amendment of regulation 2

2. Regulation 2 of the Income Tax (Concessionary Rate of Tax for Approved Global Trading Companies) Regulations 2003 (G.N. No. S 204/2003) (referred to in these Regulations as the principal Regulations) is amended —

- (*a*) by inserting, immediately before the definition of “approved commodity exchange”, the following definition:

“ “approved commodity derivatives trading company” means an approved commodity derivatives trading company referred to in section 43S of the Act;”;

- (*b*) by deleting the definition of “commodity futures trading” and substituting the following definition:

“ “commodity futures trading” means trading in commodity futures contracts or options in any commodity —

- (*a*) if the income is derived before the basis period relating to the year of assessment 2006 or after the basis period relating to the year of assessment 2010, on any exchange specified in the Second Schedule or on any approved commodity exchange; or
- (*b*) if the income is derived at any time between the beginning of the basis period relating to the year of assessment 2006 and the end of the basis period relating to the year of assessment 2010, on any exchange,

carried out by an approved global trading company in accordance with the rules and regulations or customs and practices of that exchange with —

- (i) a person who is neither a resident of nor a permanent establishment in Singapore;
 - (ii) a branch office outside Singapore of a company resident in Singapore;
 - (iii) an Asian Currency Unit of a financial institution;
 - (iv) a futures member of the Singapore Exchange;
 - (v) a member of the Singapore Commodity Exchange;
 - (vi) an approved oil trading company;
 - (vii) an approved international commodity trading company;
 - (viii) another approved global trading company; or
 - (ix) an approved commodity derivatives trading company;”;
- (c) by inserting, immediately after the definition of “commodity futures trading”, the following definitions:
- ““exchange-traded freight derivatives” means derivatives that are transacted on an exchange, the payoffs of which are linked wholly to the payoffs or performance of the underlying freight rates;
- “over the counter freight derivatives” means derivatives that are transacted over the counter, the payoffs of which are linked wholly to the payoffs or performance of the underlying freight rates;”;
- (d) by deleting the word “or” at the end of paragraph (f) of the definition of “physical trading”;
- (e) by deleting the comma at the end of paragraph (g) of the definition of “physical trading” and substituting a semi-colon, and by inserting immediately thereafter the following paragraphs: