

Income Tax (Concessionary Rate of Tax for Cyber Trading) Regulations 1999

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THE SCHEDULE

No. S 512

INCOME TAX ACT (CHAPTER 134)

INCOME TAX (CONCESSIONARY RATE OF TAX FOR CYBER TRADING) REGULATIONS 1999

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

Citation and commencement

1. These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Cyber Trading) Regulations 1999 and shall have effect for the year of assessment 1999 and subsequent years of assessment.

Definitions

2. In these Regulations —

“approved company” means a company which is approved under section 43O of the Act;

“commerce service” means the provision of any service used or to be used outside Singapore specified in Part I of the Schedule through the Internet by an approved company to —

- (a) a person who is neither a resident of nor a permanent establishment in Singapore; or
- (b) a branch office outside Singapore of a company resident in Singapore,

but excludes such service which is connected to —

- (i) any immovable property located in Singapore; or
- (ii) any online mall;

“income from qualifying electronic commerce transaction” means any of the following income derived by an approved company and specified by the Minister (or such other person as he may appoint) in writing where the transaction from which the income is derived is carried out through the Internet by the approved company in currencies other than Singapore dollars:

- (a) gains, profits, fees or commissions from any physical trading or commerce service;
- (b) fees or commissions from acting as a broker in —
 - (i) the provision of any service specified in Part I of the Schedule (excluding any service which is connected to any immovable property located in Singapore or any online mall); or
 - (ii) trading of any goods specified in Part II of the Schedule or any immovable property located outside Singapore,

between any of the following persons:

- (A) a person who is neither a resident of nor a permanent establishment in Singapore; or
- (B) a branch office outside Singapore of a company resident in Singapore; or

- (c) royalties or licence fees from granting of licence to a person who is