

Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) (Amendment) Regulations 1999

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No. S 508

**INCOME TAX ACT
(CHAPTER 134)**

**INCOME TAX (INCOME FROM SYNDICATED OFFSHORE CREDIT AND
UNDERWRITING FACILITIES) (AMENDMENT) REGULATIONS 1999**

In exercise of the powers conferred by section 43A 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 (Income from Syndicated Offshore Credit and Underwriting Facilities) (Amendment) Regulations 1999.

(2) Regulations 2 (*d*) and (*e*) and 3 (*c*) and (*d*) of these Regulations shall be deemed to have come into operation on 11th July 1997.

(3) Regulations 2 (*b*) and 3 (*b*) of these Regulations shall be deemed to have come into operation on 1st April 1998.

(4) Regulations 2 (*c*) and 3 (*a*) of these Regulations shall be deemed to have come into operation on 14th August 1998.

Amendment of regulation 2

2. Regulation 2 of the Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) Regulations (Rg 4) is amended —

- (a) by inserting, immediately after the word “credit” in the 4th line of paragraph (1), the word “, guarantee”;
- (b) by deleting the words “31st March 1998” in the 6th line of paragraph (1) and substituting the words “31st March 2003”;
- (c) by deleting the words “derived by its Asian Currency Unit” in the 2nd and 3rd lines of paragraph (2);
- (d) by inserting, immediately after the word “facility” in the 1st line of paragraph (3), the words “or a syndicated facility referred to in paragraph (b) of the definition of “syndicated offshore credit facility” in regulation 4”; and
- (e) by inserting, immediately after the word “syndicate” in the 4th line of paragraph (3), the words “or issued under the syndicated facility, as the case may be”.

Amendment of regulation 4

3. Regulation 4 of the Income Tax (Income from Syndicated Offshore Credit and Underwriting Facilities) Regulations is amended —

- (a) by deleting the definition of “financial institution” and substituting the following definition:

“ “financial institution” means a bank licensed under the Banking Act (Cap. 19) or a merchant bank approved by the Monetary Authority of Singapore;”;

- (b) by inserting, immediately after the definition of “financial institution”, the following definition:

“ “specified person”, in relation to any syndicated offshore credit facility means —

- (a) a non-resident person (excluding his permanent establishment in Singapore) or a permanent establishment outside Singapore of a person resident in Singapore in respect of any business carried on outside Singapore through

that permanent establishment; and

- (b) where the agreement for the credit facility is made on or after 1st April 1998, includes a person resident in Singapore (but excluding his permanent establishment outside Singapore) and a permanent establishment in Singapore;”;
- (c) by deleting the definition of “syndicated offshore credit facility” and substituting the following definition:

“ “syndicated offshore credit facility” means —

- (a) any syndicated loan or advance or any facility whereby any fund, guarantee or letter of credit is made available where —
 - (i) in the case of an agreement for the facility made before 14th August 1998, the facility is in currencies other than Singapore dollars;
 - (ii) in the case of a loan, advance or a facility whereby funds are made available, such loan, advance or facility is to be used outside Singapore;
 - (iii) in the case of a guarantee or letter of credit, such guarantee or letter of credit is made available to, and issued in favour of, a non-resident person (but excluding his permanent establishment in Singapore) or a person resident in Singapore in respect of any business carried on outside Singapore through a permanent establishment outside Singapore;
 - (iv) in the case of a loan, advance or a facility whereby funds are made available and such loan, advance or