

**Income Tax (Concessionary Rate of Tax for Approved Securities Companies)
(Amendment) Regulations 1996**

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No. S 179

**INCOME TAX ACT
(CHAPTER 134)**

**INCOME TAX (CONCESSIONARY RATE OF TAX FOR APPROVED SECURITIES
COMPANIES) (AMENDMENT) REGULATIONS 1996**

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

1.—(1) These Regulations may be cited as the Income Tax (Concessionary Rate of Tax for Approved Securities Companies) (Amendment) Regulations 1996.

(2) Regulation 2 shall have effect for the year of assessment 1995 and subsequent years of assessment.

2. Regulation 2(c) of the Income Tax (Concessionary Rate of Tax for Approved Securities Companies) Regulations (referred to in these Regulations as the principal Regulations) is amended by deleting the words “issued in Singapore” in the sixth line.

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[G.N. No.]

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

“2A.—(1) Notwithstanding regulation 2, tax shall be payable at the rate of 5% on the incremental income derived from the following groups of activities of an approved securities company for any year of assessment from the following groups of activities:

(a) the activities described in regulation 2(1)(a) and (b), if the following conditions are satisfied:

- (i) the relevant income of the approved securities company from such activities for that year of assessment and the relevant income of the approved securities company from such activities for any prior year of assessment (after the year of assessment 1994) is respectively not less than \$1 million; and
- (ii) the securities company has been approved under section 43A of the Act for at least 3 years immediately preceding that year of assessment; and

(b) the activities described in regulation 2(1)(c), if the following conditions are satisfied:

- (i) the relevant income of the approved securities company from such activities for that year of assessment and the relevant income of the approved securities company from such activities for any prior year of assessment (after the year of assessment 1994) is respectively not less than \$1 million; and
- (ii) the securities company has been approved under section 43A of the Act for at least 3 years immediately preceding that year of assessment.

(2) For the purposes of this regulation —

“incremental income”, in relation to an approved securities company for any year of assessment, means the amount of income determined in accordance with the formula —