

# Moving to Singapore

---

## TTN Conference Hong Kong

---

Sanjay Iyer  
27 February 2017



# AGENDA

---

1. Why Move to Singapore?
2. Registering in Singapore
  3. Immigration
  4. Tax Incentives
  5. Personal Tax



# WHY MOVE TO SINGAPORE?

Tax  
Incentives

Personal Tax  
Rates

Geographical  
Location



# REGISTERING IN SINGAPORE

# Branch vs. Subsidiary

## Branch



## Subsidiary



# Bank Account



# CRS



CRS

16  
Bilateral  
CAAs

1 January  
2017

Residence  
Address Test





# IMMIGRATION

# Employment Pass



Qualifications  
Salary  
Business Plan

# PR / Citizenship



Contribution  
to Singapore  
(Society)



# TAX INCENTIVES

# Tax Factors



Fund  
Management

Trading

Marine

Headquarters

# Basic Corporate Tax System

- Residence basis: Management and Control
- Basis of Taxation: Territorial tax system with remittance based tax
- Normal Corporate Tax rate: 17% (Partial exemption (S\$300k) [75% (S\$10k) / 25% (S\$290k)])
- Capital Gains Tax: None (except trading gains); Safe Harbour (2 yrs, 20%)
- WHT: Services (17%); Interest (15%); Royalties (10%); Dividends (0%)  
[Such rates may be reduced by DTAs]

# Fund Management

- Exemption of fund income:
  - Section 13R: Singapore companies
  - Section 13X: Other entities
  - Section 13CA: Offshore funds
- Tax treaty benefits: Singapore resident companies
- 10% tax on fund management income for the local fund manager



# Marine

- Automatic exemption on shipping profits – Singapore flagged ships
- AIS Scheme – Foreign flagged ships
  - Tax resident in Singapore
  - Fleet size, head count, local business spending
- Ships include oil rigs
- Also includes ship financing, leasing, logistics





# Global Trader Programme

- 5% or 10% on trading specific commodities (for 3 to 5 years)
- Income from physical trading, brokering of physical trades and derivative trading income.
  - Turnover
  - Local business spending
  - No. of persons employed

# Operational Headquarters

- 5% or 10%
- Incentive only on headquarter function income
- Regional or International Activities
- Business plan: incremental business spending and professional employment



# IP Development Incentive (“IDI”)

- IP income
- Budget 2017
- BEPS compliance modified nexus approach
- IP income will be removed from all other incentives (from 1 July 2021)
- IDI will take effect from 1 July 2017.





# PERSONAL TAX

# Basis of Taxation

- Territorial tax system
- No capital gains tax (unless it is beneficial for the taxpayer to be taxable, e.g. DTA)

Income (US\$)	ETR (%)
100,000	8%
200,000	13%
265,000	15%

- 22% marginal tax rate above US\$230,000 of income



# NOR Scheme

- Greater than 90 days outside Singapore
- Minimum US\$140,000 of income
- Tax exemptions on days outside Singapore for business, subject to a minimum effective tax rate of 10%.

# Contact Us



CONTACT US

## Sanjay Iyer

Email      [sanjay@iyerpractice.com](mailto:sanjay@iyerpractice.com)  
Phone      +852 2529 9952  
Mobile     +852 9355 3495

Unit 29E, 29/F Admiralty Centre Tower 1  
18 Harcourt Road, Admiralty  
Hong Kong

---

To keep yourself updated on new developments in Singapore and Hong Kong, please subscribe online to our free quarterly newsletter via our website: [iyerpractice.com](http://iyerpractice.com)

**Disclaimer:** This presentation of slides is intended as a general guide only, and the application of its contents to specific situations will depend on the particular circumstances involved. Accordingly, readers should seek appropriate professional advice regarding any particular problems that they encounter, and this presentation should not be relied on as a substitute for this advice. While all reasonable attempts have been made to ensure that the information contained in this presentation is accurate, Iyer Practice accepts no responsibility for any errors or omissions it may contain, whether caused by negligence or otherwise, or for any losses, however caused, sustained by any person that relies on it.