

**SUMMARY TABLE ON CHANGES TO THE INCOME TAX ACT (“ITA”) AS ANNOUNCED IN
BUDGET 2017 STATEMENT**

S/N.	Legislative Change	Brief Description of Legislative Change	Amendment to ITA [Clause in Income Tax (Amendment) Bill 2017]
1	Enhance and Extend the Corporate Income Tax (“CIT”) Rebate for YA 2017 and YA 2018	<p>To help companies cope with the economic uncertainty and continue restructuring, the CIT rebate will be enhanced and extended as follows:</p> <ul style="list-style-type: none"> i. CIT rebate cap will be raised from \$20,000 to \$25,000 for YA 2017 (with the rebate rate unchanged at 50%); and ii. CIT rebate will be extended for another year to YA 2018, but at a reduced rate of 20% of tax payable and capped at \$10,000 of rebate. 	Sections 92E, 92F and 92G [Clauses 39 and 40]
2	Liberalise tax deduction for payments under Cost Sharing Agreements (“CSAs”) for R&D projects	<p>A 75% safe harbour rule was announced in Budget 2017. Arising from post-Budget feedback, MOF has decided to:</p> <ul style="list-style-type: none"> i. Liberalise the treatment by allowing a full deduction of such CSA payments without the need to provide a breakdown of the expenditure covered by the CSA payments; and ii. Allow an additional 50% deduction on qualifying costs incurred on R&D performed in Singapore, by the taxpayer or 	Sections 14D, 14DA and 15 [Clauses 11, 12 and 14]

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		<p>a research and development organization on his behalf, under a CSA, even if the costs are reimbursed under the CSA.</p> <p>These changes will apply from YA 2018.</p>	
3	Extend the tax exemption on payments made to non-resident non-individuals for structured products offered by financial institutions	To continue promoting Singapore as a financial hub, the qualifying period for the tax exemption on payments made to non-resident non-individuals for structured products will be extended till 31 March 2021. All other conditions of the scheme remain the same.	Section 13 [Clause 6]
4	Extend the Tax Incentive Schemes for Infrastructure Project	To continue the deepening of Singapore's infrastructure expertise, the existing package of tax incentive schemes for infrastructure project will be extended till 31 December 2022, with the exception of the remission of stamp duty payable on instruments transferring qualifying infrastructure projects/ assets to qualifying entities listed, or to be listed, on the Singapore Exchange. The stamp duty remission will be allowed to lapse after 31 March 2017. All other conditions of the schemes remain the same.	Sections 13 and 43ZD [Clauses 6 and 32]

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5	Withdraw the Tax Deduction for Computer Donation scheme	As the objective of the scheme has been achieved, the scheme will be withdrawn after 20 February 2017.	Section 37 [Clause 24]
6	Withdraw the Accelerated Depreciation Allowance for Energy Efficient Equipment and Technology (“ADA-EEET”) scheme	<p>To streamline incentives that promote energy efficiency, the ADA-EEET scheme introduced in 1996 will be withdrawn after 31 December 2017. No ADA-EEET will be granted for equipment installed on or after 1 January 2018.</p> <p>Existing incentives such as Investment Allowance – Energy Efficiency scheme and the Productivity Grant (Energy Efficiency), will continue to promote energy efficiency.</p>	Section 19A [Clause 15]
7	Extend and refine the Aircraft Leasing Scheme (“ALS”)	<p>To continue encouraging the growth of the aircraft leasing sector in Singapore, the ALS will be extended and refined as follows:</p> <ul style="list-style-type: none"> i. The ALS will be extended till 31 December 2022; and ii. The concessionary tax rates on income derived from the leasing of aircraft or aircraft engines and the conducting of qualifying ancillary activities will be streamlined from 5% and 10% to a single rate of 8%. 	Sections 43Y and 43Z [Clauses 30 and 31]

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		The refinement in (ii) will apply to new or renewed incentive awards approved on or after 1 April 2017.	
8	Grant a Personal Income Tax Rebate for Resident Individual Taxpayers	To provide a personal income tax rebate of 20% of tax payable by tax resident individuals for YA 2017 (i.e. for income earned in 2016). The rebate will be capped at \$500 per taxpayer.	[Clause 46]