

Income Tax (Amendment) Bill 2021

Bill No. /2021.

Read the first time on .

A BILL

i n t i t u l e d

An Act to amend the Income Tax Act 1947 and to make related amendments to certain other Acts.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1.—(1) This Act is the Income Tax (Amendment) Act 2021.

(2) [commencement date provision.]

Amendment of section 6

5 **2.** Section 6 of the Income Tax Act 1947 (called in this Act the principal Act) is amended by inserting, immediately after subsection (11A), the following subsections:

10 “(11B) Despite anything in this section, the Comptroller may allow a person who is authorised by the chief executive officer of the Inland Revenue Authority of Singapore such access to any records or documents as may be necessary for the person to conduct an audit in relation to the administration of any public scheme specified in the Ninth Schedule, including the audit of any information technology system used by the Inland Revenue Authority of Singapore for such administration.

15

(11C) A person authorised by the chief executive officer of the Inland Revenue Authority of Singapore under subsection (11B) —

- 20 (a) must make and subscribe a declaration of secrecy in accordance with subsection (1); and
- (b) must not disclose to any person, or allow any person access to, anything contained in the records or documents.

25 (11D) A person who contravenes subsection (11C)(b) shall be guilty of an offence.”.

[Gazette date]

New section 10P

3. The principal Act is amended by inserting, immediately after section 10O, the following section:

“Tax treatment for trading stock appropriated for non-trade or capital purpose

5 **10P.**—(1) Where a person carrying on a trade or business appropriates, on a permanent basis, any trading stock for a purpose other than for sale or disposal in the ordinary course of any of the person’s trades or businesses, an amount equal to the market value of the trading stock on the date of the appropriation is treated for the purposes of this Act as income of the trade or business for the year of assessment relating to the basis period in which that date falls.

 (2) Without limiting the generality of the expression, a person appropriates trading stock for a purpose other than for sale or disposal in the ordinary course of any of the person’s trades or businesses if the person —

- 15 (a) holds or uses the trading stock as a capital asset; or
 (b) donates the trading stock.

 (3) Section 14 applies for the purpose of ascertaining such part of the income mentioned in subsection (1) that is chargeable with tax under this Act, as if the trading stock were sold on the date of the appropriation.

20 (4) Where subsection (1) applies, then the person must, at the time of lodgment of the person’s return of income for the year of assessment relating to the basis period in which the trading stock is appropriated, or such later time as the Comptroller may allow, give notice of the appropriation and specify the particulars of such appropriation in such form and manner as the Comptroller may specify.

 (5) The Minister may, by rules made under section 7, exempt any person or class of persons from subsection (4), subject to such conditions as may be specified in the rules.

30 (6) Where subsection (1) applies to a person for a year of assessment and that person has not been assessed accordingly in that year of assessment, any income arising because of that subsection is treated as the person’s income for the year of assessment in which the Comptroller discovers all of the facts on

which the Comptroller may reasonably conclude that there has been such appropriation.

(7) In this section —

“market value”, in relation to any trading stock, means —

- 5 (a) the amount that would be realised if the trading stock had been sold on the open market on the date of appropriation of the trading stock; or
- 10 (b) where the Comptroller is satisfied by reason of the special nature of the trading stock that it is not practicable to determine the open market price, such other value as appears to the Comptroller to be reasonable in the circumstances;

“trading stock”, in relation to a trade or business, means property of any description (whether movable or immovable) —

- 15 (a) that is sold in the ordinary course of trade or business; or
- 20 (b) that would be so sold if it were mature or if its manufacture, preparation or construction were complete.”.

[Gazette date]

Amendment of section 13

4. Section 13 of the principal Act is amended —

- 25 (a) by deleting the words “31 March 2021” in subsection (1)(zj)(ii)(B) and (iii)(B) and substituting in each case the words “31 December 2026”;
- (b) by deleting the words “1 April 2021” in subsection (1)(zj)(ii)(B) and (iii)(B) substituting in each case the words “1 January 2027”;
- 30 (c) by deleting the words “nor a permanent establishment in Singapore” in subsection (1)(zj)(iii); and

- (d) by deleting the words “an institution approved as an approved Fund Manager under section 43A and” in the definition of “financial institution” in subsection (16).

[1 April 2021]

Amendment of section 13S

5 **5.** Section 13S of the principal Act is amended —

- (a) by inserting, immediately after subsection (3), the following subsection:

10 “(3A) A reference to the Minister in subsection (3), in the case of an approval granted on or after the date of commencement of section 5 of the Income Tax (Amendment) Act 2021, includes the authorised body.”; and

- (b) by deleting the definition of “related party” in subsection (20) and substituting the following definition:

15 ““related party”, in relation to an approved shipping investment enterprise, means —

(a) any entity that is related to the approved shipping investment enterprise in such manner as may be prescribed by rules made under section 7; or

20

(b) any other entity that is approved by the Minister or authorised body in any particular case to be a related party of the approved shipping investment enterprise;”.

[Gazette date or date of commencement of s 61 of ITA 2020]

Amendment of section 13U

25

6. Section 13U of the principal Act is amended —

- (a) by deleting the words “31 March 2022” in subsection (2) and substituting the words “31 December 2027”; and

(b) by inserting, immediately after subsection (6), the following subsection:

30

5 “(6A) Any expenses, losses or allowances incurred or claimed by an approved not-for-profit organisation during the period of its approval under subsection (3) or (4) that remained unabsorbed at the end of that period, are not available as a deduction against any of its income for the year of assessment which relates to the basis period in which the approval of the approved not-for-profit organisation expires or is withdrawn, or any subsequent year of assessment.”

[Gazette date]

10 **Amendment of section 13ZA**

7. Section 13ZA(1) of the principal Act is amended —

- (a) by deleting the words “and 26 May 2020” in paragraph (b) and substituting the words “, 26 May 2020 and 16 February 2021”;
- 15 (b) by inserting, immediately after the word “in this paragraph” in paragraph (g)(i), the words “and paragraph (ga)”;
- (c) by inserting, immediately after paragraph (g), the following paragraph:

20 “(ga) a benefit received by an individual who drives a chauffeured private hire car or taxi, from —

(i) the LTA; or

(ii) an entity in the Tenth Schedule,

25 that is given on or after 1 January 2021 in connection with an amount received by the LTA or the entity out of a payment made by the Government from a fund established by the Government known as the COVID-19 Driver Relief Fund;”.

[Gazette date]

Amendment of section 14B

30 8. Section 14B of the principal Act is amended —

(a) by inserting, immediately after paragraph (aa) of subsection (2), the following paragraph:

5 “(ab) expenses incurred on or after 17 February 2021 in establishing, maintaining or otherwise participating in an approved trade fair or trade exhibition held or conducted (whether wholly or partly) by means of teleconference, video-conferencing or any other electronic means of communications;”;

10 (b) by deleting the words “31 December 2025” in subsection (2A) and substituting the words “16 February 2021”;

(c) by inserting, immediately after subsection (2A), the following subsections:

15 “(2AA) For the purposes of subsection (1) and subject to subsection (2B), the firm or company need not be an approved firm or approved company to be allowed a deduction under subsection (1) in respect of any of the following expenses incurred during the period between
20 17 February 2021 and 31 December 2025 (both dates inclusive) for the primary purpose of promoting the trading of goods or the provision of services:

(a) such expenses in subsection (2)(a) as are prescribed by rules made under section 7;

25 (b) such expenses in subsection (2)(ab) as are prescribed by rules made under section 7.

(2AB) Despite subsection (1) but subject to subsection (2B), where the Comptroller is satisfied that any expenses mentioned in subsection (2AC) have been
30 incurred by a firm or company resident in or having a permanent establishment in Singapore during the period between 17 February 2021 and 31 December 2025 (both dates inclusive) for the primary purpose of promoting the trading of goods or the provision of services, there is to be
35 allowed a further deduction of the amount of such

expenses in addition to the amount allowed under section 14.

(2AC) The expenses mentioned in subsection (2AB) are the following types of expenses that fall within descriptions prescribed by rules made under section 7, to the extent that such expenses do not fall within subsection (1):

(a) expenses incurred in the design of packaging;

(b) expenses incurred in obtaining any approved certification of goods and services;

(c) expenses incurred in any advertisement placed in any media or on any promotion campaign carried out overseas.

(2AD) Rules made for the purposes of subsections (2AA) and (2AC) may be made to take effect from (and including) 17 February 2021.”; and

(d) by inserting, immediately after the words “subsection (2A)” in subsections (2B) and (3), the words “, or subsections (2AA) and (2AB)”.

[17 February 2021]

Amendment of section 14D

9. Section 14D(5) of the principal Act is amended by deleting the words “(in respect of those relating to general insurance business only)” in paragraph (b) of the definition of “concessionary rate of tax”.

[Gazette date]

Amendment of section 14I

10.—(1) Section 14I of the principal Act is amended —

(a) by inserting, immediately after subsection (6AA), the following subsection:

“(6AB) For the purposes of subsections (5) and (6) —

- (a) a reference to a loan is to a loan that has been disbursed by the bank or qualifying finance company, but does not include —
- (i) a loan to and placement with any financial institution in Singapore or any other country;
 - (ii) a loan to the Government or the government of any other country;
 - (iii) a loan to and placement with the Monetary Authority of Singapore or the central bank or other monetary authority of any other country;
 - (iv) a loan to any statutory body or corporation guaranteed by the Government or the government of any other country; or
 - (v) such other loan or advance as may be prescribed by rules made under section 7; and
- (b) a reference to securities does not include securities issued or guaranteed by the Government or the government of any other country.”;
- (b) by deleting the definition of “loan” in subsection (7) and substituting the following definition:
- “ “loan” means any loan, advance or credit facility made or granted by a bank or qualifying finance company, including an overdraft;”;
- (c) by deleting the full-stop at the end of the definition of “qualifying profit” in subsection (7) and substituting a semi-colon, and by inserting immediately thereafter the following definition:
- “ “securities” means debentures, bonds or notes.”;
- and
- (d) by deleting subsection (8).

(2) Subsection (1)(a) has effect for the year of assessment 2023 and subsequent years of assessment, and subsection (1)(b), (c) and (d) has effect for the year of assessment 2022 and subsequent years of assessment.

5 **Amendment of section 14K**

11. Section 14K of the principal Act is amended —

(a) by deleting paragraph (a) of subsection (1A) and substituting the following paragraph:

10 “(a) need not be an approved firm or company to be allowed a deduction under subsection (1) in respect of the following expenditure that is directly attributable to the carrying out of any study to identify investment overseas:

15 (i) where the expenditure is incurred during the period between 1 April 2012 and 16 February 2021 (both dates inclusive) — any investment development expenditure;

20 (ii) where the expenditure is incurred during the period between 17 February 2021 and 31 December 2025 (both dates inclusive) — such investment development expenditure as are prescribed by rules made under section 7; and”;

25 (b) by inserting, immediately after subsection (1A), the following subsection:

“(1AA) Rules made for the purposes of subsection (1A)(a)(ii) may be made to take effect from (and including) 17 February 2021.”; and

30 (c) by deleting the definition of “investment development expenditure” in subsection (7) and substituting the following definition:

““investment development expenditure” means —

- (a) expenses directly attributable to the carrying out of —
- (i) any study to identify investment overseas; and
 - 5 (ii) any feasibility or due diligence study on any approved investment overseas; and
- (b) expenses incurred on or after 17 February 2021 for the transportation of any material or sample for use in any study carried out overseas to identify investment overseas.”
- 10 [17 February 2021]

Amendment of section 14Q

12. Section 14Q(3A) of the principal Act is amended by inserting, immediately after the words “year of assessment 2021”, the words “or 2022”.
- 15

[Gazette date]

Amendment of section 14ZA

13. Section 14ZA of the principal Act is amended —
- (a) by deleting paragraph (a) of subsection (1) and substituting the following paragraphs:
- 20 “(a) an issue of post-seasoning debentures within 5 years starting from the date of issue of the corresponding seasoned debentures, being a date falling within the period between 19 May 2016 and 18 May 2021 (both dates inclusive);
- 25 (aa) an issue of qualifying debentures (other than post-seasoning debentures) during the period between 19 May 2016 and 18 May 2021 (both dates inclusive) or;”;
- (b) by inserting, immediately after the words “the date of their issue” in subsection (1)(b), the words “(being a date falling
- 30

within the period between 19 May 2016 and 18 May 2021 (both dates inclusive));

(c) by inserting, immediately after subsection (1), the following subsection:

5 “(1A) Where the Comptroller is satisfied that qualifying expenditure in connection with —

 (a) an issue of post-seasoning debentures within 5 years starting from the date of issue of the corresponding seasoned debentures (being a date falling within the period between 19 May 2021 and 31 December 2026 (both dates inclusive)), being debentures that are credit-rated as at the date they are issued; or

 (b) an issue of qualifying debentures (other than post-seasoning debentures) during the period between 19 May 2021 and 31 December 2026 (both dates inclusive), being debentures that are credit-rated as at the date they are issued; or

 (c) making available potential seasoned debentures for secondary trading within 5 years starting from the date of their issue (being a date falling within the period between 19 May 2021 and 31 December 2026 (both dates inclusive)), being debentures that are credit-rated as at the date they are so made available,

has been incurred on or after 19 May 2021 by a person carrying on a trade or business in Singapore, that person is to be allowed —

 (c) where the expenditure is allowable as a deduction under section 14 — a further deduction of the amount of the expenditure; or

 (d) where the expenditure is not allowable as a deduction under section 14 — a deduction equal to twice the amount of the expenditure.”;

(d) by inserting, immediately before the definition of “offering document” in subsection (6), the following definition:

5 “credit-rated”, in relation to qualifying debentures, means qualifying debentures that are given at least one credit rating by Fitch Ratings, Moody’s, or Standard & Poor (S&P) Global;” and

(e) by deleting the definition of “qualifying debentures” in subsection (6) and substituting the following definition:

10 ““qualifying debentures” means —

(a) potential seasoned debentures;

(b) post-seasoning debentures offered in reliance on an exemption under the Post-seasoning Debentures Regulations; or

15 (c) straight debentures offered in reliance on an exemption under the Straight Debentures Regulations;”.

[19 May 2021]

Amendment of section 14ZB

14. Section 14ZB of the principal Act is amended —

20 (a) by deleting the words “31 December 2021” in subsections (1) and (13)(b) and substituting in each case the words “31 December 2023”; and

(b) by deleting “2021” in subsection (4) and substituting “2023”.

[Gazette date]

Amendment of section 14ZE

15. Section 14ZE of the principal Act is amended —

25 (a) by deleting subsection (1) and substituting the following subsection:

“(1) Each provision in the first column of the following table applies for the purpose of ascertaining the income of a Tenth Schedule entity for the basis period for each year

of assessment set out opposite that provision in the second column of the table:

<i>Provision</i>	<i>Year of assessment</i>
subsection (2)	years of assessment 2021 and 2022
subsection (2A)(a)	years of assessment 2022 and 2023
subsection (2A)(b) and (c)	year of assessment 2022 and subsequent years of assessment

”;

(b) by inserting, immediately after subsection (2), the following subsections:

5 “(2A) Despite any other provision in this Part, the following expenditure incurred by a Tenth Schedule entity is allowed as a deduction for the relevant year of assessment:

10 (a) any monetary payment given during the period between 1 January 2021 and 31 December 2021 (both dates inclusive) by a Tenth Schedule entity to an individual who drives a chauffeured private hire car or taxi, that the Comptroller is satisfied is given to mitigate the individual’s loss of income arising from a COVID-19 event;

15 (b) the value of any benefit given on or after 1 January 2021 to an individual who drives a chauffeured private hire car or taxi, that is given in connection with an amount received by the Tenth Schedule entity out of a payment made by the Government from a fund established by the Government known as the COVID-19 Driver Relief Fund;

20 (c) any monetary payment given on or after 1 January 2021 by a Tenth Schedule entity to an individual who drives a chauffeured private hire car or taxi that is a petrol car or petrol-electric car, that is

5 given in connection with an amount received by the Tenth Schedule entity out of a payment made on behalf of the Government (known as the Additional Petrol Duty Rebate), that is part of the Budget Statement of the Government dated 16 February 2021.

10 (2B) Despite any other provision in this Part, any monetary payment given by a person (other than an individual) who paid a tax under section 11 of the Road Traffic Act 1961 for a vehicle that is a petrol car or petrol-electric car, to an individual who drives that vehicle as a chauffeured private hire car or taxi, in connection with an amount given to the person as a rebate against that tax on or after 1 August 2021, is allowed as a deduction against the income of the person for the year of assessment 15 2022 and subsequent years of assessment.”;

(c) by inserting, immediately after the definitions of “COVID-19 event” and “monetary payment” in subsection (3), the following definitions:

20 “ “petrol car” means a motor car which uses petrol as its source of power;

“petrol-electric car” means a motor car which uses either or both petrol and electricity as its source of power;”; and

25 (d) by deleting the words “individual drivers of chauffeured private hire cars and taxis due to COVID-19 events” in the section heading and substituting the words “drivers of chauffeured private hire cars and taxis”.

New sections 14ZG and 14ZH

30 **16.** The principal Act is amended by inserting, immediately after section 14ZF, the following sections:

“Deduction for expenditure incurred in obtaining or granting, etc., leases of immovable properties

5 **14ZG.**—(1) Subject to subsections (3), (4) and (5), for the purpose of ascertaining the income of a person from the carrying on of a trade or business during the basis period for the year of assessment 2022 or any subsequent year of assessment, there is to be allowed a deduction for any expenditure incurred by the person during that basis period for the purpose of obtaining a lease, or renewing or extending a lease, of an immovable property that is used by the person for the purpose of the person’s trade or business.

15 (2) Subject to subsections (4) and (5), for the purpose of ascertaining the rental income derived by a person from an immovable property that is chargeable to tax under section 10(1)(f) during the basis period for the year of assessment 2022 or any subsequent year of assessment, there is to be allowed a deduction for any expenditure incurred by the person during that basis period for the purpose of granting the lease, or renewing or extending the lease, of the immovable property.

20 (3) No deduction may be allowed under subsection (1) to a company or trustee of a property trust in the business of letting immovable properties in which the company or trustee has a proprietary interest (other than as a legal owner) and would receive consideration if the proprietary interest is disposed of or transferred, whether in whole or in part.

25 (4) In subsections (1) and (2), expenditure incurred to obtain, grant, renew or extend a lease —

30 (a) means any commission, legal fees, stamp duty, advertising expenses and such other expenditure as may be prescribed by rules under section 7; but

 (b) excludes any outgoing or expense that is allowed as a deduction under section 14.

 (5) No deduction may be allowed under subsection (1) or (2) to a person in respect of —

- (a) any lease, or any renewal or extension of a lease, for a term that (excluding any option for the renewal or extension of the lease) exceeds 3 years;
- 5 (b) any acquisition, grant, novation, transfer or assignment (however described) of any lease because of any acquisition, sale, transfer or restructuring of any business; or
- 10 (c) any lease under an arrangement where the immovable property is sold by, and leased back to, the seller of the immovable property.

Deduction for expenditure incurred on immovable property while vacant

15 **14ZH.**—(1) This section applies where an immovable property used by a person to derive rental income chargeable to tax under section 10(1)(f), in the basis period for the year of assessment 2022 or a subsequent year of assessment, is vacant during any part of the basis period.

20 (2) Subject to subsection (3), for the purpose of ascertaining the rental income derived by the person from the immovable property that is chargeable to tax under section 10(1)(f) during the basis period, there is to be allowed a deduction for —

- 25 (a) any expenditure (other than any outgoing or expense that is allowable as a deduction under section 14) incurred by the person for the repair, insurance, maintenance or upkeep of the immovable property while it is vacant during that basis period; and
- (b) any amount paid during that basis period in respect of property tax charged on that immovable property.

30 (3) A deduction under subsection (2) is allowed to a person only if the Comptroller is satisfied that the person has made reasonable efforts in the circumstances to procure a lessee for the immovable property while it is vacant during the basis period.”.

[Gazette date]

Amendment of section 15

17. Section 15 of the principal Act is amended by inserting, immediately after subsection (2F), the following subsections:

5 “(2G) Subsection (1)(b) and (c) does not apply to any expenditure that qualifies for deduction under section 14ZG.

(2H) Subsection (1)(b) and (f) does not apply to any expenditure that qualifies for deduction under section 14ZH.”.

[Gazette date]

Amendment of section 19

18. Section 19 of the principal Act is amended by inserting, immediately after subsection (9), the following subsections:

15 “(10) This section applies to a person carrying on any trade or business who appropriates, on a permanent basis, any trading stock of that trade or business for use as machinery or plant for the purpose of that trade or business, subject to the following modifications:

(a) a reference to the capital expenditure incurred on the provision of machinery or plant is to the lower of the following:

20 (i) the market value of the trading stock as at the date of the appropriation;

(ii) the cost of the trading stock to that person;

(b) the capital expenditure is treated as having been incurred on the date of the appropriation of the trading stock.

25 (11) In subsection (10), “market value” and “trading stock” have the meanings given by section 10P(7).”.

[Gazette date]

Amendment of section 19A

19. Section 19A of the principal Act is amended —

- (a) by inserting, immediately after the words “during the basis period for the year of assessment 2021” in subsection (1E), the words “or 2022”;
- 5 (b) by deleting “2021” in subsection (1E)(a) and substituting the words “relating to the basis period in which the capital expenditure is incurred”;
- (c) by deleting “2022” in subsection (1E)(b) and substituting the words “immediately following the year of assessment mentioned in paragraph (a)”;
- 10 (d) by deleting “2021” in subsection (1F) and substituting the words “relating to the basis period in which the capital expenditure is incurred”;
- (e) by deleting subsection (1G) and substituting the following subsection:
- 15 “(1G) Where a person carrying on a trade, profession or business enters into a hire-purchase agreement during the basis period for the year of assessment 2021 or 2022 in respect of machinery or plant provided for the purposes of that trade, profession or business, subsection (1E) applies, with the necessary modifications, to each instalment paid
- 20 by the person under the hire-purchase agreement in a basis period for a year of assessment (whether the firstmentioned year of assessment or a subsequent year of assessment), as it applies to capital expenditure incurred
- 25 in the basis period for the year of assessment 2021 or 2022, as the case may be.”;
- (f) by deleting the words “on or after 1st January 1996” in subsection (5) and substituting the words “during the period between 1 January 1996 and 16 February 2021 (both dates inclusive)”;
- 30 and
- (g) by inserting, immediately after subsection (14C), the following subsections:
- 35 “(14D) This section applies to a person carrying on any trade or business who appropriates, on a permanent basis, any trading stock of that trade or business for use as

machinery or plant for the purpose of that trade or business, subject to the following modifications:

- 5 (a) a reference to the capital expenditure incurred on the provision of machinery or plant is to the lower of the following:
- (i) the market value of the trading stock on the date of the appropriation;
 - (ii) the cost of the trading stock to that person;
- 10 (b) the capital expenditure is treated as having been incurred on the date of the appropriation of the trading stock.

(14E) In subsection (14D), “market value” and “trading stock” have the meanings given by section 10P(7).”

[Gazette date]

New section 19E

- 15 **20.** The principal Act is amended by inserting, immediately after section 19D, the following section:

“Use of open-market price for making allowances under sections 19, 19A and 19D

20 **19E.**—(1) This section applies for the purpose of making an allowance under section 19, 19A or 19D for capital expenditure incurred in acquiring any machinery, plant or IRU (called in this section the property), and applies despite anything in that section.

25 (2) If the capital expenditure (not being a deposit or instalment payment) incurred for the acquisition of the property exceeds the open-market price for the property, then, for the purpose of determining the amount of allowances for the capital expenditure under section 19, 19A or 19D, the Comptroller may treat the open-market price as the amount of that expenditure.

30 (3) In subsection (2), the open-market price for the property is either —

- (a) the price which the property could have been purchased in the open market on the date of its acquisition; or
- (b) where the Comptroller is satisfied by reason of the special nature of the property that it is not practicable to determine the open-market price, such other value as appears to the Comptroller to be reasonable in the circumstances.

5

(4) If the capital expenditure consists of deposits and instalment payments and the total amount of the deposits and instalment payments (excluding any finance charges) made in any basis period exceeds a proportion of the open-market price for the property as computed under subsection (5), then, for the purpose of determining the amount of allowances for the expenditure under section 19, 19A or 19D, the Comptroller may treat that proportion of the open-market price as the amount of that expenditure.

10
15

(5) In subsection (4), the proportion of the open-market price for the property is an amount computed by the formula $\frac{A}{B} \times C$,

where —

20

(a) A is the total amount of the deposits and instalment payments (excluding any finance charges) made in the basis period;

25

(b) B is the total amount of all the deposits and instalment payments (excluding any finance charges) payable to acquire the property; and

(c) C is either —

30

(i) the price (excluding any finance charges) which the property could have been purchased in the open market on the date of its acquisition; or

(ii) where the Comptroller is satisfied by reason of the special nature of the property that it is not practicable to determine the open-market price,

such other value as appears to the Comptroller to be reasonable in the circumstances.

(6) In this section, “IRU” has the meaning given by section 19D(1).”

[Gazette date]

5 **Amendment of section 20**

21. Section 20(4) of the principal Act is amended by deleting the word “special” in paragraph (b).

[Gazette date]

Amendment of section 24

22. Section 24 of the principal Act is amended —

- 10 (a) by deleting the word “special” in subsection (3)(c); and
 (b) by inserting, immediately after subsection (3), the following subsection:

“(3A) In subsection (3), “Indefeasible Right of Use” has the meaning given by section 19D(1).”

[Gazette date]

15 **New section 25**

23. The principal Act is amended by inserting, immediately after section 24, the following section:

“Special provisions as to certain transfers

20 **25.—(1)** This section has effect in relation to any transfer of any property without consideration as a result of —

- (a) a conversion of a firm to a limited liability partnership under section 20 of the Limited Liability Partnerships Act 2005;
- 25 (b) a conversion of a private company to a limited liability partnership under section 21 of the Limited Liability Partnerships Act 2005;
- (c) a conversion of any business carried on by an individual proprietor to one carried on by a firm, where the

individual proprietor is a partner of, and has control over, the firm after the conversion; or

- (d) a conversion of any business carried on by a firm to one carried on by an individual proprietor, where the individual proprietor was a partner of, and had control over, the firm before the conversion,

and the transfer is not one to which section 33 applies.

(2) For the purposes of subsection (1), “conversion” means a transfer of the property, assets, interests, rights, privileges, liabilities, obligations and undertaking —

- (a) in the case of subsection (1)(a) — of the partners of the firm relating to the business to the limited liability partnership;
- (b) in the case of subsection (1)(b) — of the private company to the limited liability partnership;
- (c) in the case of subsection (1)(c) — of the individual proprietor relating to the business to the partners of the firm; or
- (d) in the case of subsection (1)(d) — of the partners of the firm relating to the business to the individual proprietor.

(3) Where the parties to the transfer of the property by written notice to the Comptroller so elect —

- (a) the like consequences ensue for the purposes of sections 19, 19A, 19D, 20 and 21 as would have ensued if the property had been transferred —
- (i) in the case of machinery or plant — for a sum equal to the amount of the expenditure on the provision of the machinery or plant remaining unallowed immediately before the transfer, computed in accordance with section 20;
- (ii) in the case of an IRU — for a sum equal to the amount of capital expenditure remaining

unallowed immediately before the transfer,
computed in accordance with section 19D;

- 5 (b) despite anything in section 19, where the transfer is a transfer of machinery or plant, no initial allowance is to be made to the transferee;
- (c) despite anything in section 19A, where the transfer is a transfer of machinery or plant, allowances provided under that section continue to be available as if no transfer had taken place;
- 10 (d) despite anything in section 19D, where the transfer is a transfer of an IRU, the writing-down allowances provided under that section continue to be available as if no transfer had taken place; and
- 15 (e) despite anything in paragraphs (a), (b), (c) and (d) or in sections 19D and 20, such balancing charge (if any) must be made on the transferee on any event occurring after the date of the transfer as would have fallen to be made on the transferor if the transferor had continued to own the property and had done all the things and
20 been allowed all the allowances and deductions in connection with the property as were done by or allowed to the transferee.

(4) No election may be made under subsection (3) unless, before the transfer in the case of the transferor and after the
25 transfer in the case of the transferee, the property is used in the production of income chargeable under the provisions of this Act.

(5) In this section —

30 “firm” and “individual proprietor” have the meanings given to those terms by section 2(1) of the Business Names Registration Act 2014;

“IRU” has the meaning given by section 19D(1);

“private company” has the meaning given by section 2(1) of the Limited Liability Partnerships Act 2005.”

[Gazette date]

Amendment of section 26

24.—(1) Section 26 of the principal Act is amended —

(a) by deleting the words “or (7)” in subsections (6)(a)(ii) and (c)(ii) and (7)(a)(i)(B);

5 (b) by inserting, immediately after sub-paragraph (ii) of subsection (6)(a) and (c), the following sub-paragraph:

10 “(iia) adding thereto an amount allocated to the surplus account of the participating fund by the insurer in accordance with regulations made under section 17(7) of the Insurance Act 1966, being an amount that does not exceed 1/9th of the tax payable at the rate under section 43(9) on the amount mentioned in sub-paragraph (i);”;

15 (c) by deleting the word “and” at the end of sub-paragraph (iv) of subsection (6)(a), and by inserting immediately thereafter the following sub-paragraph:

20 “(iva) adding thereto any amount (other than the amounts mentioned in sub-paragraphs (iia) and (iv)) allocated to the surplus account of the participating fund by the insurer in accordance with regulations made under section 17(7) of the Insurance Act 1966, but excluding any portion that is not chargeable to tax;”;

25

(d) by inserting, immediately after sub-paragraph (iv) of subsection (6)(c), the following sub-paragraph:

30 “(iva) adding thereto any amount (other than the amounts mentioned in sub-paragraphs (iia) and (iv)) allocated to the surplus account of the participating fund by the insurer in accordance with regulations made under section 17(7) of the Insurance Act 1966, but excluding any portion that is not chargeable to tax;”;

35

(e) by inserting, immediately after sub-paragraph (B) of subsection (7)(a)(i), the following sub-paragraph:

5 “(BA) adding thereto an amount allocated to the surplus account of the participating fund by the insurer in accordance with regulations made under section 17(7) of the Insurance Act 1966, being an amount that does not exceed 1/9th of the tax payable at the rate under section 43(9) on the amount mentioned in sub-paragraph (A);”;

10

(f) by deleting the word “and” at the end of sub-paragraph (D) of subsection (7)(a)(i), and by inserting immediately thereafter the following sub-paragraph:

15

“(DA) adding thereto any amount (other than the amounts mentioned in sub-paragraphs (BA) and (D)) allocated to the surplus account of the participating fund by the insurer in accordance with regulations made under section 17(7) of the Insurance Act 1966, but excluding any portion that is not chargeable to tax;”;

20

(g) by inserting, immediately after paragraph (a) of subsection (8), the following paragraph:

25

“(aa) allowances under section 19, 19A, 20, 21, 22 or 23 or losses or donations allowable under section 37 may be deducted against any part of the income of the insurer from a participating fund that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C if, and only if, the allowances, losses or donations are —

30

- (i) allowances, losses or donations in respect of such income; or
- (ii) allowances, losses or donations in respect of any income of the insurer from another participating fund that is also apportioned to policyholders in accordance with those regulations;”;
- 5
- (h) by inserting, immediately after the words “or the losses” in subsection (8)(b) and (c), the words “or donations”;
- 10
- (i) by deleting the words “as is apportioned to the policyholders” in subsection (8)(b) and substituting the words “from a participating fund as is apportioned to policyholders”;
- (j) by deleting the words “such part of the income as is so apportioned” in subsection (8)(b)(i) and substituting the words “any part of the insurer’s income from any participating fund that is apportioned to policyholders”; and
- 15
- (k) by deleting sub-paragraph (ii) of subsection (8)(b) and substituting the following sub-paragraph:
- 20
- “(ii) the balance of such allowances, losses or donations under sub-paragraph (i) may, subject to section 23 or 37 (as the case may be), only be deducted against any part of the insurer’s income from any participating fund that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C, for any subsequent year of assessment;”.
- 25
- (2) The amendment to section 26(6) and (7) of the principal Act applies for the year of assessment 2021 and any subsequent year of assessment.
- 30

[Gazette date]

New section 32A

25. The principal Act is amended by inserting, immediately after section 32, the following section:

“Valuation of cost of trading stock converted from non-trade or capital asset

5 **32A.**—(1) Where any property of a person that is not trading stock becomes wholly or in part trading stock of the person’s trade or business, then, in computing the gains or profits arising from the sale or disposal of such trading stock, the market value of the property or part of the property that becomes trading stock as at the date it becomes trading stock is treated as the cost of the trading stock.

10 (2) For the purpose of subsection (1), property is treated as having become trading stock if the property is held for sale or disposal in the ordinary course of a trade or business.

15 (3) To avoid doubt, the reference to trading stock in subsection (1) does not include property the sale or disposal of which results in a gain or loss that is capital in nature.

20 (4) Where property has become wholly or in part trading stock under subsection (1), then, the person, must at the time of lodgment of the person’s return of income for the year of assessment relating to the basis period in which the property becomes trading stock, or such later time as the Comptroller may allow, give notice of the occurrence and specify the particulars of the occurrence in such form and manner as the Comptroller may specify.

25 (5) The Minister may, by rules made under section 7, exempt any person or class of persons from subsection (4), subject to such conditions as may be specified in the rules.

(6) In this section —

“market value”, in relation to any property, means —

- 30 (a) the amount that would be realised if the property had been sold in the open market; or
- (b) where the Comptroller is satisfied by reason of the special nature of the property that it is not practicable to determine the open market price,

such other value as appears to the Comptroller to be reasonable in the circumstances;

“trading stock”, in relation to a trade or business, means property of any description (whether movable or immovable) —

(a) that is sold in the ordinary course of trade or business; or

(b) that would be so sold if it were mature or if its manufacture, preparation or construction were complete.”.

[Gazette date]

Amendment of section 34E

26. Section 34E of the principal Act is amended by deleting subsection (2) and substituting the following subsection:

“(2) Despite any objection to or an appeal lodged against an assessment made pursuant to any adjustment under section 34D(1A), the surcharge must be paid —

(a) within one month after the date a written notice of the surcharge is served in accordance with section 8(1) on the person imposed with the surcharge; and

(b) in the manner stated in the written notice.”.

[Gazette date]

Amendment of section 37

27. Section 37(3A) of the principal Act is amended by deleting “2021” in paragraph (a)(ii) and substituting “2023”.

[Gazette date]

Amendment of section 37B

28. Section 37B(11) of the principal Act is amended by deleting the words “(in respect of those relating to general insurance business only)” in paragraph (b)(ii) of the definition of “rate of tax”.

[Gazette date]

Amendment of section 37C

29. Section 37C of the principal Act is amended by inserting, immediately after subsection (15), the following subsection:

“(15A) This section does not entitle —

- 5 (a) a company that is a life insurer to transfer to another company that is a life insurer, any qualifying deduction relating to any income from a participating fund of the firstmentioned life insurer that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C; or
- 10 (b) a company that is a life insurer to claim any qualifying deduction of another company that is a life insurer against any income of the firstmentioned insurer from a participating fund that is apportioned to policyholders in accordance with regulations made under
- 15 section 43(9) or 43C.”.

[Gazette date]

Amendment of section 37E

30. Section 37E of the principal Act is amended —

- 20 (a) by deleting subsections (1A), (1B) and (1C) and substituting the following subsections:

 “(1A) Subject to the other provisions of this section, a person may, instead of deducting any qualifying deduction for the year of assessment 2020 or 2021 (called in this section the subject YA) in accordance with

25 subsection (1), deduct the qualifying deduction for the subject YA against the person’s assessable income for the 3 years of assessment immediately preceding the subject YA.

 (1B) A qualifying deduction for the subject YA under

30 subsection (1A) must be deducted in the following order:

- (a) the qualifying deduction must first be made against the person’s assessable income for the

third year of assessment immediately preceding the subject YA;

- 5 (b) any balance of the qualifying deduction after the deduction in paragraph (a) must then be made against the person's assessable income for the second year of assessment immediately preceding the subject YA;
- 10 (c) any balance of the qualifying deduction after the deduction in paragraph (b) must then be made against the person's assessable income for the year of assessment immediately preceding the subject YA.

15 (1C) Where a person is entitled to make 2 or more of the qualifying deductions set out in the first column of the following table against the person's assessable income for a particular year of assessment, then the deductions must be made in the order set out in the second column of the table, and each deduction must as far as possible be made against such assessable income (or any balance of such income after an earlier deduction) by the amount set out opposite that deduction in the third column of the table:

20

<i>First column</i>	<i>Second column</i>	<i>Third column</i>
A qualifying deduction under subsection (1)	First	Full amount of the qualifying deduction
A qualifying deduction for the year of assessment 2020 under subsection (1A)	Second	Full amount of the qualifying deduction or its balance as described in subsection (1B)
A qualifying deduction for the year of assessment 2021 under subsection (1A)	Third	Full amount of the qualifying deduction or its balance as described in subsection (1B)

(1D) Any election made by a person under subsection (6) for the deduction of any qualifying

5 deduction for the year of assessment 2020 to be in accordance with subsection (1A) as in force immediately before 17 February 2021, is treated as an election made for the deduction of such qualifying deduction to be in accordance with subsection (1A) as in force on that date.”;

(b) by inserting, immediately after the words “year of assessment 2020” in subsection (3A), the words “or 2021”;

(c) by deleting paragraph (b) of subsection (3A) and substituting the following paragraph:

10 “(b) the amount of the person’s assessable income for the second-mentioned year of assessment or any balance of the assessable income as determined in accordance with the table in subsection (1C) against which the deduction may be made.”;

15 (d) by deleting subsection (8A) and substituting the following subsection:

“*(8A)* Despite subsection (8), where the Comptroller discovers that any deduction made under subsection (1A) of any qualifying deduction for a subject YA against the assessable income of a person for the year of assessment 2017, 2018, 2019 or 2020 (whichever is applicable) has become excessive, the Comptroller may make an assessment on the person on the amount which, in the Comptroller’s opinion, ought to have been charged to tax in the year of assessment 2017, 2018, 2019 or 2020, as the case may be —

(a) in the case of a qualifying deduction for the year of assessment 2020 — on or before 31 December 2024; or

30 (b) in the case of a qualifying deduction for the year of assessment 2021 — on or before 31 December 2025.”;

(e) by inserting, immediately after subsection (16), the following subsections:

“(16A) This section does not entitle any qualifying deduction of a life insurer for any year of assessment to be deducted against any income of the insurer for any preceding year of assessment from a participating fund that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C, unless the qualifying deduction is —

(a) a qualifying deduction in respect of any income from that participating fund that is apportioned to policyholders in accordance with those regulations; or

(b) a qualifying deduction in respect of any income of the insurer from another participating fund that is also apportioned to policyholders in accordance with those regulations.

(16B) This section also does not entitle any qualifying deduction of a life insurer for any year of assessment in respect of any income of the insurer from a participating fund that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C, to be deducted against any income of the insurer for any preceding year of assessment, other than income from a participating fund that is apportioned to policyholders in accordance with regulations made under section 43(9) or 43C.”; and

(f) by deleting the words “(in respect of those relating to general insurance business and life reinsurance business only)” in paragraph (b) of the definition of “concessionary rate of tax” in subsection (17).

[paras (a) – (d): 17 Feb 2021; others: Gazette date]

Amendment of section 37L

31. Section 37L of the principal Act is amended —

(a) by deleting the words “subsection (16)(c)(v) and (d)(v)” in subsection (16E) and substituting the words “subsections (16)(c)(v) and (d)(v) and (17)(db)”;

(b) by inserting, immediately after paragraph (da) of subsection (17) the following paragraph:

5 “(db) where the qualifying acquisition is one mentioned in subsection (4A)(a) or (b), the acquiring company or the acquiring subsidiary (as the case may be) fails to satisfy any condition prescribed under subsection (16E);”.

[Gazette date]

Amendment of section 42

32. Section 42 of the principal Act is amended —

10 (a) by deleting the words “Subject to subsection (2), there” in subsection (1) and substituting the word “There”; and

(b) by deleting subsection (2).

[Gazette date]

Amendment of section 42A

15 33. Section 42A of the principal Act is amended by inserting, immediately after subsection (12), the following subsections:

20 “(12A) For the purposes of the definitions of “first child of the family”, “second child of the family”, “third child of the family”, “fourth child of the family” and “fifth or subsequent child of the family” in subsection (11), for the year of assessment 2022 or any subsequent year of assessment, any sibling of the child, being a sibling that is a stillborn child (whether issued from the child’s mother before, on or after 1 January 2022), is to be included in determining the number of siblings that the child has who are members of the same household, but only if the natural

25 mother of the stillborn child is a member of that household.

(12B) To avoid doubt, subsection (12A) does not imply that a stillborn child is a child in respect of whom a rebate may be allowed under this section.

30 (12C) In subsection (12A), “stillborn child” means any child that —

- (a) issues from the child’s mother after the twenty-second week of pregnancy; and
- (b) does not show any sign of life at any time after being completely expelled or extracted from the mother.”.

[Gazette date]

5 **Amendment of section 43C**

34. Section 43C(1) of the principal Act is amended —

- (a) by deleting the words “on or after 1 September 2019” in the second column of the table in paragraph (c) and substituting the words “between 1 September 2019 and 31 August 2021 (both dates inclusive)”; and
- (b) by deleting the words “on or after 1 September 2016” in the second column of the table in paragraph (c) and substituting the words “between 1 September 2016 and 31 August 2021 (both dates inclusive)”.

[1 September 2021]

15 **Amendment of section 43W**

35. Section 43W(4A) of the principal Act is amended —

- (a) by inserting, immediately after the words “the Minister” wherever they appear, the words “or authorised body”; and
- (b) by deleting the words for “as he thinks fit” and substituting the words “as the Minister or authorised body thinks fit”.

[Gazette date or date of commencement of s 61 of IT (Amendment) Bill 2020]

Amendment of section 43ZA

36. Section 43ZA of the principal Act is amended —

- (a) by inserting, immediately after subsection (4), the following subsection:
 - 25 “(4A) A reference to the Minister in subsection (4), in the case of an approval granted on or after the date of commencement of section 36 of the Income Tax (Amendment) Act 2021, includes the authorised body.”; and

(b) by deleting the definition of “related party” in subsection (7) and substituting the following definition:

““related party”, in relation to an approved container investment enterprise, means —

- 5 (a) any entity that is related to the approved container investment enterprise in such manner as may be prescribed by rules made under section 7; or
- 10 (b) any other entity that is approved by the Minister or authorised body in any particular case to be a related party of the approved container investment enterprise.”.

[Gazette date or date of commencement of s 61 of IT (Amendment) Bill 2020]

Amendment of section 43ZB

37. Section 43ZB(4A) of the principal Act is amended —

- 15 (a) by inserting, immediately after the words “the Minister” wherever they appear, the words “or authorised body”; and
- (b) by deleting the words “as he thinks fit” and substituting the words “as the Minister or authorised body thinks fit”.

[Gazette date or date of commencement of s 61 of IT (Amendment) Bill 2020]

Amendment of section 43ZF

- 20 **38.** Section 43ZF(2) of the principal Act is amended by inserting, immediately after the words “the Minister”, the words “or authorised body”.

[Gazette date or date of commencement of s 61 of IT (Amendment) Bill 2020]

Amendment of section 43ZI

- 25 **39.** Section 43ZI(11) of the principal Act is amended by inserting, immediately after paragraph (d), the following paragraphs:

“(da) the circumstances under which a prescribed amount of expenses, allowances or donations deducted from

qualifying intellectual property income of an approved company may be deemed as a loss;

(*db*) the treatment of the loss mentioned in paragraph (*da*), including disregarding any part of it, or making available any part of it for —

(i) deduction against any income subject to tax at the rate specified in section 43(1)(*a*) for a specified year of assessment in accordance with this Act;

(ii) deduction against any income for any preceding or subsequent year of assessment in accordance with this Act; and

(iii) transfer under section 37C;

(*dc*) the application of the provisions of this Act for the purpose of the deductions and transfers in paragraph (*db*) with such modifications as may be prescribed;”.

[Gazette date]

Amendment of section 45I

40. Section 45I of the principal Act is amended by deleting the words “31st March 2021” in subsections (1)(*a*) and (3)(i), (ii), (iii)(A) and (iv) and substituting in each case the words “31 December 2026”.

[1 April 2021]

Amendment of section 50

41. Section 50 of the principal Act is amended —

(*a*) by inserting, immediately after the words “year of assessment” in subsection (9), the words “to which the claim relates (if the year of assessment is the year of assessment 2021 or a previous year of assessment), or 4 years after the end of the year of assessment to which the claim relates (if the year of assessment is any other year of assessment)”;

(*b*) by inserting, immediately after subsection (10), the following subsections:

5 “(11) If the amount of any credit given under the arrangements to a person is rendered excessive by reason of any adjustment of the amount of any tax payable in any territory outside Singapore, the person must give the Comptroller a written notice of particulars of the adjustment, in the manner specified by the Comptroller, within 6 months after the adjustment is made.

10 (11A) Any person who, without reasonable excuse, fails to comply with subsection (11) shall be guilty of an offence and shall be liable on conviction to a penalty not exceeding the amount of the excess credit under subsection (11).

(11B) The Comptroller may compound any offence under subsection (11A).”.

[Gazette date]

15 **Amendment of section 62B**

42. Section 62B(7) of the principal Act is amended —

(a) by deleting the words “section 24, where the buyer and seller” and substituting the words “section 24 or 25, where the buyer and seller or the transferee and transferor (as the case may be)”; and

(b) by inserting, immediately after the words “date of sale”, the words “or transfer (as the case may be)”.

[Gazette date]

Amendment of section 74

43. Section 74 of the principal Act is amended —

25 (a) by deleting the words “resolving difficulties arising out of the application” in subsection (2A) and substituting the words “resolving difficulties or doubts arising out of the interpretation or application”; and

(b) by deleting subsection (2B) and substituting the following subsection:

30 “(2B) Subsection (2A) applies to —

- (a) an agreement (other than one mentioned in paragraph (b)) entered into on or after 26 October 2017; and
- 5 (b) an agreement on the appropriate criteria to be used to ascertain the transfer pricing of a person's transactions with the person's related parties over a specified period (commonly called an advance pricing arrangement), entered into on or after the date on which the Income Tax (Amendment) Act
- 10 2021 is published in the *Gazette*.”.
- [Gazette date]*

Amendment of section 94

44. Section 94(2) of the principal Act is amended by deleting “\$1,000” and substituting “\$5,000”.

[Gazette date]

Amendment of section 94A

- 15 **45.** Section 94A of the principal Act is amended —
- (a) by deleting “\$1,000” in subsections (1) and (3)(b) and substituting in each case “\$5,000”; and
- (b) by deleting “\$50” in subsection (2) and substituting “\$100”.
- [Gazette date]*

Amendment of section 101

20 **46.** Section 101(2) of the principal Act is amended by inserting, immediately after “45(5),”, “50(11A),”.

[Gazette date]

New section 104A

47. The principal Act is amended by inserting, immediately after section 104, the following section:

25 **“Protection of informers**

104A.—(1) Except as provided in subsection (3) —

(a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and

(b) no witness in any civil or criminal proceedings is obliged or permitted —

(i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

(ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

(a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

(b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.

(4) In this section, a reference to civil proceedings include any proceedings before the Board of Review.”.

[Gazette date]

Amendment of section 105M

48. Section 105M of the principal Act is amended by deleting subsection (1) and substituting the following subsections:

5 “(1) Any person who, without reasonable excuse, fails or neglects to comply with —

(a) section 105L(1); or

(b) any regulation made under section 105P that requires the person to apply to the Comptroller for registration or report any information to the Comptroller,

10 shall be guilty of an offence.

(1A) Any person who is convicted of an offence under subsection (1) shall be liable —

(a) to a fine not exceeding \$5,000 and in default of payment to imprisonment not exceeding 6 months; and

15 (b) in the case of a continuing offence, to a further fine not exceeding \$100 for every day or part of a day during which the offence continues after conviction.

(1B) Any person who, without reasonable excuse, fails or neglects to comply with any requirement imposed by regulations made under section 105P, other than a requirement mentioned in subsection (1)(b), shall be guilty of an offence and shall be liable on conviction —

(a) to a fine not exceeding \$1,000 and in default of payment to imprisonment not exceeding 6 months; and

25 (b) in the case of a continuing offence, to a further fine not exceeding \$50 for every day or part of a day during which the offence continues after conviction.”.

[Gazette date]

Amendment of Fifth Schedule

49. The Fifth Schedule to the principal Act is amended —

30 (a) by inserting, immediately after sub-paragraph (1A) of paragraph 5, the following sub-paragraphs:

“(1B) For the purposes of determining whether a child is a “first eligible child”, “second eligible child” or “third and subsequent eligible child” in sub-paragraph (1A), for the year of assessment 2022 or any subsequent year of assessment, a sibling of the child, being a sibling that is a stillborn child (whether issued from the child’s mother before, on or after 1 January 2022), is treated as if the stillborn child were an eligible child, but only if the natural mother of the stillborn child is the married woman, divorcee or widow claiming the deduction.

(1C) To avoid doubt, paragraph (1B) does not imply that a stillborn child is an eligible child in respect of whom a deduction is allowable under section 39(2)(e).”; and

(b) by deleting the word “and” at the end of sub-paragraph (a) of paragraph 7 and by inserting immediately thereafter the following sub-paragraph:

“(ab) “stillborn child” means any child that —

- (i) issues from the child’s mother after the twenty-second week of pregnancy; and
- (ii) does not show any sign of life at any time after being completely expelled or extracted from the mother; and”.

[Gazette date]

Related amendment to Betting and Sweepstake Duties Act 1950

50. The Betting and Sweepstake Duties Act 1950 is amended by inserting, immediately after section 11, the following section:

“Protection of informers

12.—(1) Except as provided in subsection (3) —

- (a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and
- (b) no witness in any civil or criminal proceedings is obliged or permitted —
 - (i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

(ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

(a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

(b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.”.

[Gazette date]

Related amendment to Estate Duty Act 1929

51. The Estate Duty Act 1929 is amended, by inserting immediately after section 54, the following section:

“Protection of informers

54A.—(1) Except as provided in subsection (3) —

(a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and

(b) no witness in any civil or criminal proceedings is obliged or permitted —

(i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

5 (ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the
10 informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

15 (a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

20 (b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.”.

[Gazette date]

Related amendments to Goods and Services Tax Act 1993

25 **52.** The Goods and Services Tax Act 1993 is amended —

(a) by inserting, immediately after subsection (6C) of section 6, the following subsections:

30 “(6CA) Despite anything in this section, the Comptroller may allow a person who is authorised by the chief executive officer of the Inland Revenue Authority of Singapore such access to any records or documents as may be necessary for the person to conduct an audit in relation to the administration of any public scheme specified in

Part 1 of the Sixth Schedule, including the audit of any information technology system used by the Inland Revenue Authority of Singapore for such administration.

(6CB) A person authorised by the chief executive officer under subsection (6CA) —

- (a) must make and subscribe a declaration of secrecy in accordance with subsection (1)(b); and
- (b) must not disclose to any person, or allow any person access to, anything contained in the records or documents.

(6CC) A person who contravenes subsection (6CB)(b) shall be guilty of an offence.”; and

(b) by inserting, immediately after section 84, the following section:

“Protection of informers

84A.—(1) Except as provided in subsection (3) —

- (a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and
- (b) no witness in any civil or criminal proceedings is obliged or permitted —
 - (i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or
 - (ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the informer’s discovery, the court must cause the entry to be concealed from view or to be

obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

- 5 (a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or
- 10 (b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

15 the court may permit enquiry and require full disclosure concerning the informer.

(4) In this section, a reference to civil proceedings includes any proceedings before the Goods and Services Tax Board of Review.”.

[Gazette date]

Related amendment to Private Lotteries Act 2011

20 **53.** The Private Lotteries Act 2011 is amended by inserting, immediately after section 29, the following section:

“Protection of informers

29A.—(1) Except as provided in subsection (3) —

- 25 (a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and
- (b) no witness in any civil or criminal proceedings is obliged or permitted —
- 30 (i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

(ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any book which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

(a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

(b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.”.

[Gazette date]

Related amendment to Property Tax Act 1960

54. The Property Tax Act 1960 is amended by inserting, immediately after section 64A, the following section:

“Protection of informers

64B.—(1) Except as provided in subsection (3) —

(a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and

(b) no witness in any civil or criminal proceedings is obliged or permitted —

(i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

5 (ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the
10 informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

15 (a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

20 (b) in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.

25 (4) In this section, a reference to civil proceedings include any proceedings before the Valuation Review Board.”.

[Gazette date]

Related amendment to Stamp Duties Act 1929

55. The Stamp Duties Act 1929 is amended by inserting, immediately after section 68A, the following section:

“Protection of informers

30 **68B.**—(1) Except as provided in subsection (3) —

(a) no information disclosed by an informer for an offence under this Act may be admitted in evidence in any civil or criminal proceedings; and

(b) no witness in any civil or criminal proceedings is obliged or permitted —

(i) to disclose the name and address of an informer who has given any information with respect to an offence under this Act; or

(ii) to answer any question if the answer to the question would lead, or would tend to lead, to the discovery of the name or address of the informer.

(2) If any document which is in evidence or liable to inspection in any civil or criminal proceedings contains any entry in which any informer is named or described or which may lead to the informer's discovery, the court must cause the entry to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If —

(a) in any proceedings for an offence under any written law, the court, after full enquiry into the case, believes that the informer wilfully made a material statement which the informer knew or believed to be false or did not believe to be true; or

(b) if in any other proceedings, the court is of the opinion that justice cannot be fully done between the parties to the proceedings without the discovery of the informer,

the court may permit enquiry and require full disclosure concerning the informer.”.

[Gazette date]