

ANNEX B: SUMMARY TABLE ON PROPOSED NON-BUDGET CHANGES TO THE INCOME TAX ACT 1947 (“ITA”)

S/N 1 to 9: Amendments arising from periodic review of the income tax regime

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
1	Enhance digital delivery of services by allowing Notice to Inform taxpayer that Travel Restriction Order (“TRO”) has been issued to be served electronically	<p>In 2017, legislative amendments were made to provide a regulatory framework to implement an opt-out approach for digital tax notices. Regulations were prescribed in 2018 for the detailed implementation. The use of digital notices gives taxpayers greater convenience, security and timeliness of alert. This is part of our move to being a Smart Nation.</p> <p>Since then, Inland Revenue Authority of Singapore (“IRAS”) has taken a phased approach in the digital transformation journey for tax notices. Currently, most notices are served electronically. However, there are some notices (e.g. TRO) that currently are required to be served personally or by registered post. MOF and IRAS are reviewing these notices in a phased manner.</p> <p>The proposed amendments seek to allow TRO to be served electronically.</p> <p>Related amendments to Goods and Services Tax Act 1993 (“GSTA”) for similar changes are proposed.</p>	<p>Section 86</p> <p>Related amendments to GSTA</p> <p>[Clauses 39 and 46]</p>

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
		The proposed amendments, if approved, will take effect from the date the Amendment Act is published in the Gazette.	
2	Extend the application of section 37A adjustment factor to a body of persons deriving qualifying income from qualifying debt securities (“QDS”)	<p>Currently, an adjustment factor under section 37A of the ITA (“section 37A adjustment factor”) is applied when a company offsets its unabsorbed capital allowances, losses and donations (hereafter referred to as “loss items”) in respect of income that is subject to tax at one rate against income that is subject to tax at a different rate, whether within the same or across different Years of Assessment (“YAs”). The policy intent behind the section 37A adjustment factor is to preserve the tax deduction value of the loss items to that when they were first incurred.</p> <p>The proposed amendment extends the application of the section 37A adjustment factor to bodies of persons deriving qualifying income from QDS. QDS is the only incentive that accords concessionary tax rate to bodies of persons.</p> <p>The proposed amendments, if approved, will take effect from the YA 2023.</p>	Sections 37A and 37D [Clauses 19 and 20]
3	Extend the application of section 13(12A) of the ITA to orders made under section 13(12) of the ITA that exempt from tax foreign-	Subsections (12A) and (12B) of section 13 provide that orders made under subsection (12) which exempt from tax income received by the trustee of a S-REIT or its wholly-owned company that is incorporated in Singapore, continue to have effect on or after 1 January 2026 only in	Section 13 [Clause 7]

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
	<p>sourced income received in Singapore by:</p> <ul style="list-style-type: none"> a. A trustee of a sub-trust of a Singapore listed Real Estate Investment Trust (“S-REIT”) where all the rights or interests in the property of the sub-trust are held by the S-REIT for the benefit of the S-REIT’s beneficiaries; or b. A Singapore incorporated company the share capital of which is wholly-owned indirectly by the trustee of a S-REIT. 	<p>relation to income received in Singapore that is paid out of income or gains relating to foreign immovable property and acquired before that date, and derived at a time when the trustee or company beneficially owns the property, or from the disposal of the property.</p> <p>Currently, section 13(12A) of the ITA is applicable to orders made under section 13(12) of the ITA that exempt from tax foreign-sourced income received in Singapore by:</p> <ul style="list-style-type: none"> a. The trustee of a S-REIT; or b. A Singapore incorporated company the share capital of which is wholly-owned directly by the trustee of a S-REIT <p>The proposed amendment seeks to extend the application of section 13(12A) of the ITA to orders made under section 13(12) of the ITA that exempt from tax foreign-sourced income received in Singapore by:</p> <ul style="list-style-type: none"> a. A trustee of a sub-trust where all rights or interests in property of the sub-trust are held by the trustee of a S-REIT for the benefit of the S-REIT’s beneficiaries; or b. A Singapore incorporated company the share capital of which is wholly-owned indirectly by the trustee of a S-REIT. 	

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		The proposed amendment, if approved, will take effect from the date the Amendment Act is published in the Gazette.	
4	Provide expressly that the Comptroller of Income Tax has the power to extend filing deadlines in the ITA	<p>Currently, the powers of the Comptroller of Income Tax to extend filing deadlines are expressly provided for in some provisions in the ITA (e.g. under section 62, which requires that income tax returns be filed within a reasonable time specified in a notice published in the Gazette, <i>or such extended time as the Comptroller may allow</i>), but not others.</p> <p>The proposed amendments are to provide for the powers of the Comptroller of Income Tax, Comptroller of Goods and Services Tax (“GST”), and the Chief Assessor to extend various other filing deadlines for Income Tax, GST and Property Tax respectively.</p> <p>The proposed amendments provide for:</p> <ol style="list-style-type: none"> a. The power of the Comptroller of Income Tax to extend the deadlines for the filing of estimates of chargeable and partnership income, and employee income returns; and b. The power of the Chief Assessor to extend the deadline for filing notices of chargeability and transfer of property. 	<p>Sections 26A, 63, 68 and 71</p> <p>Related amendments to the PTA</p> <p>[Clauses 12, 31, 32, 33 and 48]</p>

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		<p>The proposed amendments to the Property Tax Act 1960 (“PTA”) at (b) are proposed to be included as a related amendment in the Income Tax (Amendment) Bill 2022. Similar amendments are also proposed to be made to the Goods and Services Tax (General) Regulations, to expressly provide for the power of the Comptroller of GST to extend the deadline for the filing of GST returns.</p> <p>The proposed amendments, if approved, to the ITA, PTA and GST Regulations will take effect from the date the Amendment Act is published in the Gazette.</p>	
5	Amend the definition of foreign ship to exclude a ship that is a provisionally registered ship	<p>In Budget 2020, to support the maritime sector, the Maritime Sector Incentive (“MSI”) was enhanced to allow income derived on and after 19 February 2020 from operating a ship that is provisionally registered under the Singapore Registry of Ships to qualify for tax exemption under section 13A for up to one year even if it does not subsequently obtain a permanent certificate of registry.</p> <p>The proposed amendments exclude provisionally registered ships from the scope of tax exemption under the MSI-Approved International Shipping Enterprise award under section 13E. This eliminates the overlap in the scope of tax exemption granted under section 13A after the Budget 2020 enhancement and section 13E of the ITA.</p>	<p>Sections 10 and 13E</p> <p>[Clauses 6 and 8]</p>

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		The proposed amendments, if approved, will take effect from the date the Amendment Act is published in the Gazette.	
6	Amend the definition of “local employee” under section 37O of the ITA to recognise central hiring and secondment arrangements under the Mergers and Acquisitions (“M&A”) Scheme	<p>Currently, only individuals that are directly hired by the acquiring company are taken into account for assessing whether the three local employee condition is met to qualify for the M&A Scheme.</p> <p>The proposed amendment allows individuals hired under central hiring and secondment arrangements to be recognised as employees of the acquiring company for the purpose of fulfilling the three local employee condition under the M&A Scheme.</p> <p>The proposed amendment, if approved, will take effect from the YA 2020.</p>	Section 37O [Clause 21]
7	Grant the Comptroller of Income Tax the power to compound offences under the new section 105M(1B) of the ITA (relating to penalties on certain Automatic Exchange of Information (“AEOI”) offences)	<p>Currently, section 105M of the ITA sets out the penalty framework for a failure to comply with AEOI standards. This can be further sectioned into two categories:</p> <ol style="list-style-type: none"> a. The failure to provide required information as prescribed by regulations to the Comptroller of Income Tax, and b. The failure to comply with any AEOI regulation made by the Minister. 	Section 105M [Clause 40]

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		<p>The proposed amendment to section 105M(2) of the ITA grants the Comptroller of Income Tax the power to compound offences under section 105M(1B) of the ITA with those covered under section 105M(1) of the ITA to extend the penalties accorded to certain AEOI offences.</p> <p>The proposed amendment, if approved, will take effect from the date the Amendment Act is published in the Gazette.</p>	
8	Amend Part 18 (Appeals) of the ITA to streamline provisions on the Board of Review (“BOR”) and empower BOR Chairpersons with discretion to convene a one-member coram, instead of the default three-member coram, for BOR hearings	<p>The proposed amendments to Part 18 (Appeals) of the ITA update and streamline BOR provisions by removing outdated references, clarifying the powers of the Minister, BOR and Chairperson respectively, and moving Act-level provisions on BOR procedures to subsidiary legislation.</p> <p>The proposed amendments also empower BOR Chairpersons to exercise discretion to convene a one-member coram for appropriate BOR cases, on top of the present default three-member coram, for greater efficiency in managing BOR cases.</p> <p>In addition, we are proposing related amendments to Part 8 (Board of Review) of the GSTA for similar changes.</p>	<p>Sections 78, 79, 80, 80A, 80B and 80C</p> <p>Related amendments to GSTA</p> <p>[Clauses 34, 35, 36, 37, 38 and 46]</p>

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		The proposed amendments, if approved, will take effect on a date to be notified in the Gazette.	
9	Extend the application of section 45I of the ITA to varied contract	<p>Interest payments made by a tax-resident or permanent establishment in Singapore to a non-tax-resident outside Singapore are subject to withholding tax (“WHT”) at a rate of 15%¹. Financial institutions (“FIs”) enjoy a range of WHT class exemptions, which were introduced over the years to strengthen Singapore’s position as a regional funding centre.</p> <p>The WHT exemptions are generally applied on a contract basis, which means that all interest payments made under a new contract that takes effect during a relevant period for the various WHT exemptions will be exempted from WHT as long as the contract is in force. The WHT exemptions also apply to renewed or extended contract, where the extension or renewal takes effect during the relevant period for the various WHT exemptions.</p>	<p>Sections 13 and 45I</p> <p>[Clauses 7 and 28]</p>

¹ The domestic WHT rate of 15% may be reduced under the Avoidance of Double Taxation Agreement between Singapore and the relevant foreign jurisdiction.

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		<p>The proposed amendment seeks to extend the treatment to varied contract where the variation takes effect on or after the date the Amendment Act is published in the Gazette to the end of the relevant period for the various WHT exemptions.</p> <p>The proposed amendment, if approved, will take effect from the date the Amendment Act is published in the Gazette.</p>	

S/N 10 to 15: Technical amendments to the ITA

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
10	Standardise the terms “related party”, “holding company” and “subsidiary” in the ITA	<p>The terms “related party”, “holding company” and “subsidiary” are commonly used in the ITA. They are currently not defined under section 2 of the ITA. Instead, these terms may be defined in the respective provisions of the ITA in which they are used.</p> <p>To improve the readability of the ITA and provide clarity on the definition of these commonly used terms in the ITA, the proposed amendment standardises the terms based on the following definitions and provides for the following standard definitions to be included under section 2 of the ITA:</p> <ol style="list-style-type: none"> a. “Related party”: Per section 13(6) of the ITA; b. “Holding company”: Per section 5 of the Companies Act 1967 (“CA”); and c. “Subsidiary”: Per section 5 of the CA. <p>These proposed amendments will not be applicable to terms which have a specific definition that is different from the standard definitions above, as these specific definitions were introduced in the context of their respective provisions or schemes.</p>	<p>Sections 2, 13, 13H, 13I, 14B, 14L, 14M, 14O, 14T, 14U, 14Z, 15, 19B, 34D, 34F, 35, 37G, 37O, 43H, 74 and 93A</p> <p>[Clause 44]</p>

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
		The proposed amendments, if approved, will take effect from the date the Amendment Act is published in the Gazette.	
11	Amend the ITA in relation to the provision of electronic services	<p>The Gambling Duties Act 2022, which was passed in Parliament on 10 January 2022, included an amendment to the Inland Revenue Authority of Singapore Act 1992 (“IRAS Act”) which consolidates IRAS’ powers to provide electronic service for the purpose of administering any tax act under its purview.</p> <p>Most of the provisions in the existing section 8A of the ITA are now found in the amended section 29 of the IRAS Act.</p> <p>The proposed amendments seeks to:</p> <ol style="list-style-type: none"> a. Retain certain provisions in section 8A of the ITA which are applicable only to the ITA and repeal the other provisions that are covered by the amended section 29 of the IRAS Act. b. Delete the definition of “authentication code” under section 2 of the ITA, as it is defined under the IRAS Act. c. Amend the definition of “electronic service” under section 2 of the ITA to refer to section 29 of the IRAS Act. <p>We are also proposing amendments to the GSTA and PTA for similar changes, and related amendment to the IRAS Act.</p>	<p>Sections 2, 8 and 8A</p> <p>Related amendments to GSTA, IRAS Act and PTA</p> <p>[Clauses 2, 4, 5, 46, 47 and 48]</p>

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		<p>In addition, the IRAS Act will be amended to allow IRAS to set out certain administrative procedures for the use of electronic service:</p> <ol style="list-style-type: none"> a. Proper use of the electronic service system. b. Correction or amendment of any document or information that is electronically filed, submitted, served or given using the system. <p>The proposed amendments, if approved, will take effect on the date to be notified in the Gazette.</p>	
12	Amend section 13U of the ITA to clarify that the tax exemption under the enhanced tier fund scheme (section 13U scheme) will be allowed on qualifying income arising from funds of foreign investors and qualifying funds under the tax incentive schemes for funds (“Qualifying Funds”) (in addition to funds of a master fund or any feeder funds)	The proposed amendment clarifies the Budget 2019 refinement made to the enhanced tier funds approved as a collective structure (“approved structure”). The requirement for a special purpose vehicle (“SPV”) to be wholly-owned by the master fund in an approved structure has been waived, insofar as co-investments are via foreign investors or Qualifying Funds. Correspondingly, subject to the other relevant conditions under the enhanced tier fund scheme, qualifying income of the eligible SPV arising from the funds of foreign investors and Qualifying Funds (in addition to the funds of a master fund or any feeder funds) will be exempted from tax.	Section 13U [Clause 10]

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
		<p>An eligible SPV in relation to an approved structure refers to an SPV which may be directly or indirectly owned by master fund, foreign investors and / or qualifying funds.</p> <p>The proposed amendment, if approved, will take effect from 19 February 2019.</p>	
13	Amend section 13F of the ITA to introduce a provision to allow the Minister for Finance and an authorised body to determine the eligibility of a foreign trust under the Foreign Trust Scheme	<p>The proposed amendment seeks to provide the Minister for Finance with the power to make regulations allowing the Minister or an authorised body, as the Minister may appoint, to determine the eligibility of a foreign trust under the Foreign Trust Scheme.</p> <p>The proposed amendment, if approved, will take effect from the date the Amendment Act is published in the Gazette.</p>	Section 13F [Clause 9]
14	Clarify that interest income derived from loans of capital nature should be charged to tax based on contractual interest instead of effective interest	Under the Financial Reporting Standard (“FRS”) for financial instruments - FRS 39,109 and SFRS(I) 9, interest income from certain financial assets such as loans are required to be recognised in the financial statement (“FS”) based on an amount calculated using effective interest rate method. ² Under the effective interest rate method ² ,	Sections 34A and 34AA [Clauses 13 and 14]

² The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

S/N	Proposed Legislative Changes	Brief Description of Proposed Legislative Changes	Proposed Amendment to the ITA [Clause in Draft Income Tax (Amendment) Bill 2022]
		<p>expenses such as transaction costs incurred on the loan are taken into account and reduces the interest income reported in the FS. These expenses, which are capital in nature, are not tax deductible.</p> <p>To align with general tax principle, amendment will be made to clarify that taxable interest income from loans of capital nature should be computed based on contractual interest rates, which does not include any capital expenses, instead of effective interest rates.</p> <p>The proposed amendments, if approved, will take effect from the date the Amendment Act is published in the Gazette.</p>	
15	Repeal certain provisions of the ITA	<p>The obsolete provisions as listed in the <u>Appendix</u> will be repealed. They are no longer relevant as the relevant tax schemes, incentives, concessions and treatments have expired.</p> <p>The proposed amendments, if approved, will take effect from the date the Amendment Act is published in the Gazette.</p>	<p>Sections 10B, 37E and 39, Second Schedule and Fifth Schedule</p> <p>[Clauses 42 and 45]</p>

Appendix

List of obsolete provisions to be repealed

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
1	<p>Excess provident fund contributions, etc., deemed to be income</p> <p><i>S10B(12)</i></p> <p>Delete “specified amount” (b)</p>	<p>1. Excess provident fund contributions, etc., deemed to be income – s10B(12)</p> <p>“specified amount” means—</p> <p>(a) <i>[Deleted by Act 2 of 2016]</i></p> <p>(b) in relation to the year 2006, 2007, 2008, 2009 or 2010, the difference between \$76,500 and the total ordinary wages paid to the employee in that year; and for this purpose, any amount of ordinary wages paid to the employee for any month in the year in excess of \$4,500 is disregarded;</p> <p>(c) in relation to the year 2011, the difference between \$79,333 and the total ordinary wages paid to the employee in that year; and for this purpose, any amount of ordinary wages paid to the employee for any month in the year in excess of \$4,500 (being a month before September 2011) or \$5,000 (being the month of September 2011 or any subsequent month) is disregarded;</p> <p>(d) ...</p>
2	<p>Carry-back of capital allowances and losses between spouses</p> <p><i>S37E</i></p> <p>Delete (1A), (1B), (1C), (3A), (4A), (9A)</p>	<p>2. Carry-back of capital allowances and losses between spouses – s37E</p> <p>37E. (1) Subject to the provisions of this section, an individual may transfer any qualifying deduction for any year of assessment to a spouse living with him or her who has claimed any qualifying deduction under this section against her or his assessable income for the immediate preceding year of assessment.</p> <p>(1AA) No transfer may be made under subsection (1) of —</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
	<p>(5) and (6) – Delete the following words “or (1A)”</p> <p>(5) – Delete the following words “or any of the 3 immediate preceding years of assessment (as the case may be)”</p> <p>(12) – Delete the following words “or any one of the 3 immediate preceding years of assessment, as the case may be.”</p>	<p>(a) any allowance made to the individual for the year of assessment 2016 or a subsequent year of assessment; or</p> <p>(b) any loss incurred by the individual in the basis period for the year of assessment 2016 or a subsequent year of assessment.</p> <p>(1A) Despite subsection (1) but subject to the other provisions of this section, an individual may transfer any qualifying deduction for the years of assessment 2009 and 2010 to a spouse living with him or her who has claimed any qualifying deduction under this section against her or his assessable income for the 3 years of assessment immediately preceding the year of assessment 2009 or 2010, as the case may be.</p> <p>(1B) Any qualifying deduction transferred to a claimant spouse under subsection (1A) for any year of assessment must so far as possible be made against her or his assessable income for the third year of assessment immediately preceding that year of assessment, with any remaining balance of the qualifying deduction made —</p> <p>(a) against her or his assessable income for the second year of assessment immediately preceding that year of assessment; and</p> <p>(b) thereafter against her or his assessable income for the first year of assessment immediately preceding that year of assessment.</p> <p>(1C) Where in any year of assessment a claimant spouse is entitled to make more than one deduction under subsection (1A) or under subsections (1) and (1A) against her or his assessable income for that year of assessment, the assessable income for that year of assessment must so far as possible be deducted by the amount of qualifying deduction for the earliest year of assessment the claimant spouse is entitled to so deduct under subsection (1) or (1A), and any remaining balance of the assessable income for the firstmentioned year of assessment must so</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>far as possible be deducted by the amount of qualifying deduction for the next earliest year of assessment, and so on.</p> <p>(2) Qualifying deductions are to be transferred to a claimant spouse in the following order:</p> <p>(a) any allowance specified in subsection (10)(a);</p> <p>(b) any loss specified in subsection (10)(b).</p> <p>(3) The amount of qualifying deduction for any year of assessment to be transferred by a transferor to a claimant spouse is the lower of —</p> <p>(a) the amount of qualifying deduction available for transfer for that year of assessment; and</p> <p>(b) the assessable income of the claimant spouse for the immediate preceding year of assessment.</p> <p>(3A) Despite subsection (3), the amount of qualifying deduction for the year of assessment 2009 or 2010 to be transferred by a transferor to a claimant spouse for any of the 3 years of assessment immediately preceding the year of assessment 2009 or 2010 (as the case may be) is the lower of —</p> <p>(a) an amount equivalent to the difference between the amount of qualifying deduction available for transfer for the year of assessment 2009 or 2010 (as the case may be) and the aggregate amount of such qualifying deductions which had already been transferred under subsection (1A); and</p> <p>(b) the balance of the assessable income of the claimant spouse for the year of assessment after such assessable income is deducted by the qualifying deduction for any year of</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p data-bbox="804 321 1896 386">assessment prior to the year of assessment 2009 or 2010 (as the case may be) under subsection (1C).</p> <p data-bbox="688 427 1896 492">(4) The amount of qualifying deduction for any year of assessment to be transferred by a transferor to a claimant spouse must not exceed an amount equal to</p> <p data-bbox="1209 532 1394 565" style="text-align: center;">$\\$100,000 - A,$</p> <p data-bbox="709 597 1896 662">where A is any amount deducted by the transferor against his or her assessable income for the immediate preceding year of assessment under section 37D.</p> <p data-bbox="688 703 1896 808">(4A) Despite subsection (4), the amount of qualifying deduction for the year of assessment 2009 or 2010 to be transferred by a transferor to a claimant spouse must not exceed an amount equal to</p> <p data-bbox="1209 849 1394 881" style="text-align: center;">$\\$200,000 - A,$</p> <p data-bbox="709 914 1896 1019">where A is the aggregate of the amounts deducted by the transferor against his or her assessable income for the 3 years of assessment immediately preceding the year of assessment 2009 or 2010 (as the case may be) under section 37D.</p> <p data-bbox="688 1060 1896 1198">(5) No transfer is allowed under subsection (1) or (1A) in any year of assessment if the transferor has assessable income for the immediate preceding year of assessment or any of the 3 immediate preceding years of assessment (as the case may be) but no claim for relief has been made under section 37D.</p> <p data-bbox="688 1239 1896 1304">(6) No transfer is allowed under subsection (1) or (1A) in any year of assessment if the claimant spouse has assessable income for the year of assessment but no transfer of any</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>qualifying deduction from the transferor to the claimant spouse has been made under section 37C.</p> <p>(7) Any individual transferring or claiming a qualifying deduction under this section must notify the Comptroller and make an election to transfer or claim qualifying deductions (as the case may be) not later than 30 days from the date of the service of the notice of assessment on the individual or his or her spouse, whichever is the later.</p> <p>(8) An election made by an individual under subsection (7) is irrevocable and must be accompanied by such particulars as the Comptroller may require.</p> <p>(9) Where the Comptroller discovers that any transfer of qualifying deduction under this section against the assessable income of a claimant spouse for any year of assessment is or has become excessive, the Comptroller may make an assessment on the claimant spouse on the amount which, in the Comptroller's opinion, ought to have been charged to tax in that year of assessment within 7 years (if that year of assessment is 2007 or a preceding year of assessment) or 5 years (if that year of assessment is 2008 or a subsequent year of assessment) after the expiry of that year of assessment.</p> <p>(9A) Despite subsection (9), where the Comptroller discovers that any qualifying deduction for the year of assessment 2010 transferred under subsection (1A) and made against the assessable income of the claimant spouse for the year of assessment 2008 is or has become excessive, the Comptroller may make an assessment on the claimant spouse on the amount which, in the Comptroller's opinion, ought to have been charged to tax in the year of assessment 2008, within 6 years after the expiry of that year of assessment.</p> <p>(10) For the purposes of this section, subject to sections 35 and 37, qualifying deductions, in relation to an individual, for each year of assessment, are —</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>(a) any allowance falling to be made under section 16, 17, 18B, 18C, 19, 19A, 19C, 19D or 20 that is in excess of the individual’s income from all sources chargeable to tax for that year of assessment and is not deducted under section 37D or transferred under section 37C; and</p> <p>(b) any loss incurred by the individual in any trade, business, profession or vocation which is not deducted for that year of assessment because of insufficiency of statutory income of the individual and is not deducted under section 37D or transferred under section 37C.</p> <p>(11) Despite subsection (10), any loss deemed to be a loss incurred from a trade or business for the purpose of section 97V of the Economic Expansion Incentives (Relief from Income Tax) Act 1967 in force immediately before 19 April 2016 is not transferable.</p> <p>(12) Despite subsection (10), any allowance specified in subsection (10)(a) made to a transferor for any year of assessment is not transferable if the transferor did not carry on that trade, business or profession in the basis period for the immediate preceding year of assessment or any one of the 3 immediate preceding years of assessment, as the case may be.</p> <p>(13) In this section, “assessable income”, in relation to an individual, means assessable income of the individual as determined under section 37 after deducting any deductions claimed under sections 37C and 37D.</p>
3	<p>Qualifying Child Relief.</p> <p><i>S39(2)(e)(v) and S39(2)(e)(vi)</i></p>	<p>3. Deduction for children – s39(2)(e)</p> <p>(e) maintained a child who was unmarried throughout the year preceding the year of assessment and—</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
	Delete the following words “2009, 2010, 2011”	<p>(i) being below 16 years of age at any time during the year preceding the year of assessment;</p> <p>(ii) receiving full-time instruction at any university, college, school or other educational institution;</p> <p>(iii) serving under articles or indentures with a view to qualifying in a trade or profession; or</p> <p>(iv) incapacitated by reason of physical or mental infirmity,</p> <p>there is allowed in respect of each such child according to his or her age among those eligible, a deduction in accordance with the Fifth Schedule:</p> <p>Provided that in the case of any unmarried child incapacitated by reason of physical or mental infirmity and in respect of whom —</p> <p>(v) a deduction is allowable under paragraph 1 of the Fifth Schedule, the deduction is increased to \$5,500 (for the year of assessment 2009, 2010, 2011, 2012, 2013 or 2014) or \$7,500 (for the year of assessment 2015 or a subsequent year of assessment); or</p> <p>(vi) no deduction is allowable under the Fifth Schedule, there is allowed a deduction of \$5,500 (for the year of assessment 2009, 2010, 2011, 2012, 2013 or 2014) or \$7,500 (for the year of assessment 2015 or a subsequent year of assessment);</p>
4	Deduction for CPF contributions by self-employed	<p>4. Deduction for CPF contributions by self-employed - s39(2)(h)</p> <p>(h) has carried on a trade, business, profession or vocation and has made contributions to the Central Provident Fund on his or her own account, or has derived income from a trade, business, profession or vocation and has made contributions in respect of such income to</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
	<p>S39(2)(h)</p> <p>Delete the following words “35% (for the year of assessment 2011)” and “\$26,775 (for the year of assessment 2011)”</p>	<p>the Fund which were obligatory under the Central Provident Fund Act 1953, there is to be allowed a deduction, in respect of such contributions, of an amount not exceeding 35% (for the year of assessment 2011), 36% (for the year of assessment 2012, 2013, 2014 or 2015) or 37% (for the year of assessment 2016 or a subsequent year of assessment), or such other rate as may be prescribed of his or her assessable income for that year of assessment derived from such trade, business, profession or vocation or \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be prescribed, whichever is less:</p> <p>Provided that —</p> <p>...</p> <p>(ii) the total deductions allowable under paragraph (g) and this paragraph in respect of contributions to any approved pension or provident fund or society must not exceed \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be prescribed where the deduction allowable under paragraph (g) is less than \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be prescribed in respect of such contributions;</p> <p>(iii) no deduction is allowed under this paragraph where a deduction of \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:						
		<p>prescribed or more has been allowed under paragraph (g) in respect of contributions to any approved pension or provident fund or society;</p> <p>(iv) where the total deductions allowable under this paragraph in respect of contributions which are obligatory under the Central Provident Fund Act 1953 and under paragraph (g) in respect of contributions to any approved pension or provident fund or society exceed \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be prescribed, sub-paragraphs (ii) and (iii) do not apply to such amount of contributions in excess of \$26,775 (for the year of assessment 2011), \$30,600 (for the year of assessment 2012, 2013, 2014 or 2015), \$31,450 (for the year of assessment 2016) or \$37,740 (for the year of assessment 2017 or a subsequent year of assessment), or such other amount as may be prescribed which are allowable under this paragraph;</p>						
5	<p>Personal Income Tax Rates</p> <p><i>Second Schedule Part A</i></p> <p>Delete Table 1</p>	<p style="text-align: center;">SECOND SCHEDULE</p> <p style="text-align: center;">Sections 13K(7), 42(1) , 81(7) and 106(1)</p> <p style="text-align: center;">RATES OF TAX</p> <p style="text-align: center;">PART A</p> <p style="text-align: center;">TABLE 1</p> <p style="text-align: center;">RATES OF TAX ON CHARGEABLE INCOME OF AN INDIVIDUAL OR A HINDU JOINT FAMILY FOR YEARS OF ASSESSMENT 2007, 2008, 2009, 2010 AND 2011</p> <table border="0" style="width: 100%; text-align: center;"> <thead> <tr> <th style="text-align: left;"><i>Chargeable Income</i></th> <th style="text-align: right;"><i>Rate of Tax</i></th> </tr> </thead> <tbody> <tr> <td>For every dollar of the first</td> <td>\$ 20,000</td> </tr> <tr> <td></td> <td>Nil</td> </tr> </tbody> </table>	<i>Chargeable Income</i>	<i>Rate of Tax</i>	For every dollar of the first	\$ 20,000		Nil
<i>Chargeable Income</i>	<i>Rate of Tax</i>							
For every dollar of the first	\$ 20,000							
	Nil							

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:																		
		<table border="0"> <tr> <td>For every dollar of the next</td> <td>\$ 10,000</td> <td>3.5%</td> </tr> <tr> <td>For every dollar of the next</td> <td>\$ 10,000</td> <td>5.5%</td> </tr> <tr> <td>For every dollar of the next</td> <td>\$ 40,000</td> <td>8.5%</td> </tr> <tr> <td>For every dollar of the next</td> <td>\$ 80,000</td> <td>14.0%</td> </tr> <tr> <td>For every dollar of the next</td> <td>\$160,000</td> <td>17.0%</td> </tr> <tr> <td>For every dollar exceeding</td> <td>\$320,000</td> <td>20.0%.</td> </tr> </table>	For every dollar of the next	\$ 10,000	3.5%	For every dollar of the next	\$ 10,000	5.5%	For every dollar of the next	\$ 40,000	8.5%	For every dollar of the next	\$ 80,000	14.0%	For every dollar of the next	\$160,000	17.0%	For every dollar exceeding	\$320,000	20.0%.
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6	<p>Qualifying Child Relief and Working Mother's Child Relief</p> <p><i>Fifth Schedule – Child Relief</i></p> <p>Delete S3(a) and 5(1)</p> <p>S5(2) and S5(3) – Delete the following words “(1) or”</p> <p>S6(2) – Delete the following words “5(1) or”</p>	<p style="text-align: center;">FIFTH SCHEDULE</p> <p style="text-align: right;">Sections 39(2) and (2AA), 39A and 106(1)</p> <p style="text-align: center;">CHILD RELIEF</p> <p>1. Subject to the provisions of this Schedule, the allowable deduction to an individual in respect of each of his or her eligible children is \$4,000 for each child for the year of assessment 2009 or a subsequent year of assessment.</p> <p>2. <i>[Deleted by Act 37 of 2014]</i></p> <p>3. No deduction is allowed in respect of any child —</p> <p style="padding-left: 20px;"><i>(a)</i> whose income (excluding income to which the child is entitled as the holder of a scholarship, bursary or similar educational endowment) for the year immediately preceding the year of assessment (being the year of assessment 2009) exceeded \$2,000; or</p>																		

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>(b) who was engaged in any employment, other than under articles or indentures, or carried on or exercised a trade, business, profession or vocation, during the year immediately preceding the year of assessment.</p> <p>3A. For the year of assessment 2010 or any subsequent year of assessment, no deduction is allowed in respect of any child—</p> <p>(a) who is not incapacitated by reason of physical or mental infirmity; and</p> <p>(b) who meets either or both of the following:</p> <p>(i) his or her income (excluding income to which the child is entitled as the holder of a scholarship, bursary or similar educational endowment) for the year immediately preceding the year of assessment exceeded \$4,000;</p> <p>(ii) he or she was engaged in any employment, other than under articles or indentures, or carried on or exercised a trade, business, profession or vocation, during the year immediately preceding the year of assessment.</p> <p>4. Where more than one individual is entitled to claim a deduction in respect of the same child under paragraph 1 or the proviso to section 39(2)(e), the deduction is to be apportioned in such manner as appears to the Comptroller to be reasonable.</p> <p>5.—(1) Where a married woman, divorcee or widow maintained, in the year immediately preceding the year of assessment 2009, 2010 or 2011, a child who is a citizen of Singapore as at 31 December of that year, the following deductions are, without prejudice to any deduction allowable under paragraph 1 or proviso (v) to section 39(2)(e), allowable for that year of assessment to her only:</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>(a) first eligible child 15% of her earned income;</p> <p>(b) second eligible child 20% of her earned income;</p> <p>(c) third and subsequent eligible child 25% of her earned income for each eligible child.</p> <p>(1A) Where a married woman, divorcee or widow maintained, in a year immediately preceding any year of assessment (being the year of assessment 2012 or any subsequent year of assessment), a child who —</p> <p>(a) is a citizen of Singapore as at 31 December of that year; or</p> <p>(b) if the child died in that year, was a citizen of Singapore on the date of his or her death,</p> <p>the following deductions are, without prejudice to any deduction allowable under paragraph 1 or proviso (v) to section 39(2)(e), allowable for that year of assessment to her only:</p> <p>(c) first eligible child 15% of her earned income;</p> <p>(d) second eligible child 20% of her earned income;</p> <p>(e) third and subsequent eligible child 25% of her earned income for each eligible child.</p> <p>(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</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>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.</p> <p>(1C) To avoid doubt, sub-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).</p> <p>(2) Where more than one married woman, divorcee or widow is entitled to claim a deduction in respect of the same child under sub-paragraph (1) or (1A), the deduction is to be allowed to one such claimant only as determined by the Comptroller (whose decision is final) having regard to the circumstances of the case, including rights of custody, care and control and level of maintenance provided by each claimant.</p> <p>(3) The total deductions allowable to a married woman, divorcee or widow under sub-paragraph (1) or (1A) must not exceed 100% of her earned income for any year of assessment.</p> <p>6.—(1) <i>[Deleted by Act 37 of 2014]</i></p> <p>(2) The total deductions allowable to all individuals under paragraphs 1 and 5(1) or 5(1A) (as the case may be) and proviso (v) to section 39(2)(e) in respect of the same child must not exceed \$50,000.</p> <p>(3) For the purpose of sub-paragraph (2), any deduction allowable under paragraph 1 or proviso (v) to section 39(2)(e) must first be allowed before a deduction, to the extent allowable under sub-paragraph (2), is allowed under paragraph 5.</p> <p>7. In this Schedule —</p>

S/N	Relevant sections of the ITA	The portion to be deleted is highlighted in yellow below:
		<p>(a) “child”, in relation to an individual claiming a deduction, means a legitimate child, stepchild or child adopted in accordance with any written law relating to the adoption of children;</p> <p>(aa) “stillborn child” means any child that —</p> <ul style="list-style-type: none"> (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 <p>(b) where any question arises as to the ranking of any child for the purpose of any deduction to be granted under this Schedule, it is to be determined by the Comptroller whose decision is final.</p>