

Name of Tax Change	Current Treatment	New Treatment
<p>Review of existing tax incentives for futures members of Singapore Exchange (“SGX”) and members of Singapore Commodity Exchange Limited (“SICOM”)</p>	<p>Currently, futures members of SGX and members of SICOM are granted a concessionary tax rate of 10% on their income derived from qualifying transactions under Sections 43D and 43K of the Income Tax Act.</p>	<p>To streamline existing tax incentive schemes for better incentive administration, these 2 existing incentives would be discontinued on 31 December 2010. From 1 January 2011 onwards, these 2 tax incentives will cease and <u>new incentive applicants</u> which engage in qualifying transactions that were incentivised under these two tax incentives will have to apply for the Financial Sector Incentive (FSI) scheme and meet economic commitments under the FSI at the point of application.</p> <p>As a transition measure, on 1 January 2011, existing futures members of SGX and members of SICOM who are incentivised under these two existing tax incentives will be allowed to transit to the Financial Sector Incentive-Standard Tier (“FSI-ST”) scheme automatically if they notify MAS of their intent to transit by 31 July 2010. They will not be subject to the approval criteria for the FSI-ST award at the point of transition in January 2011. However, they will be subject to the prevailing FSI-ST renewal criteria, when they apply for renewal of their awards in December 2013, if the FSI scheme is extended.</p> <p>Further details will be released by MAS by April 2010.</p>