

BUDGET 2011

SECTOR-SPECIFIC TAX CHANGES FOR BUSINESSES

Name of Tax Change	Current Treatment	New Treatment
STRENGTHEN SINGAPORE'S POSITION AS THE LEADING FINANCIAL CENTRE		
Extension and Enhancement of Specialised Insurance Tax Incentive Scheme	<p>Insurers on this scheme can enjoy tax exemption on qualifying income derived from the carrying on of qualifying offshore specialised insurance business for a period of five years. The specialised insurance business lines under this scheme are Terrorism, Political, Energy and Aviation and Aerospace risks.</p> <p>The sunset clause for this scheme is 31 August 2011.</p>	<p>The scheme will be extended till 31 August 2016.</p> <p>In addition, the following enhancements will be made to the scheme with effect from 19 February 2011:</p> <ul style="list-style-type: none">a) Agriculture insurance will be included as a new qualifying specialised insurance business line; andb) An award renewal framework will be introduced for incentive recipients. <p>MAS will release further details of the changes by end April 2011.</p>