

IRAS CIRCULAR

23 NOVEMBER 2001

Auto-Inclusion of Dividends from Private Companies

Currently, IRAS has link-ups with the Central Depository (CDP) and CPF Investment Scheme agent banks to obtain dividends paid by listed companies to be automatically included in taxpayers' assessments. As part of our continuous effort to improve taxpayer services, IRAS is expanding this auto-inclusion scheme to dividends paid by private companies from 1.1.2002.

Currently, every company gives IRAS a Section 44 statement showing the Section 44 balance or charge immediately upon the payment of dividends. Under this new auto-inclusion scheme, all private companies will also be required to furnish to IRAS the particulars of individual shareholders in the Section 44 statement when accounting to IRAS for the tax on dividends paid on or after 1.1.2002.

The scheme will make it easier for individual taxpayers to complete their tax returns. They will no longer need to report their Singapore dividends and send the supporting dividend vouchers with their tax returns with effect from the Year of Assessment 2003. For the private companies, they will also not have to administer requests for duplicate dividend vouchers for submission to IRAS from shareholders who have misplaced the vouchers.

The new format for the Section 44 statement is enclosed. This new format is to be used by all companies paying dividends on or after 1.1.2002. It will be made available on our Fax Express Service (1800-3568677) and IRAS Homepage at <http://www.iras.gov.sg> when the scheme comes into effect on 1.1.2002.

Taxpayers with enquiries on the scheme can call IRAS at :

- a) 1800-3568622 for enquiries on companies
- b) 1800-3568300 for enquiries on individual tax

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