

Name of Tax Change	Current Treatment	New Treatment
<p>Renewal and enhancement of Investment Allowance (IA) scheme for aircraft rotables</p>	<p>The IA scheme for aircraft rotables was introduced on 10 Sep 2004 and the amount of IA granted under the scheme is 50% of the qualifying costs of aircraft rotables (on top of normal capital allowance). The IA scheme is for a period of 5 years and has expired on 9 Sep 2009.</p> <p>Under the IA scheme, there was a “non-swapping condition” that required the approved aircraft maintenance, repair and overhaul (MRO) companies to recover the swapped rotatable part from their clients, (i.e. with the same part number and serial number), by the end of the service contract with the clients.</p>	<p>In line with Singapore’s commitment to develop the Maintenance, Repair and Overhaul industry, the IA scheme for aircraft rotables will be renewed for another 5 years from 1 April 2010 to 31 March 2015.</p> <p>The government will also enhance the IA scheme by removing the “non-swapping condition”. This enhancement removes the administrative difficulties of having to track specific aircraft rotables.</p> <p>EDB will release the details by March 2010.</p>