

# Multinational Enterprise Top-Up Tax and Domestic Top-Up Tax Updates and Amendments in the Second Edition

## June 2026

Module	Updates and amendments made
One (Scope and Charging Provisions)	<ul style="list-style-type: none"> <li>Updated list of key documents to include the Administrative Guidance on the Global Anti-Base Erosion (“<b>GloBE</b>”) Model Rules for the Side-by-Side package published by the OECD / G20 Inclusive Framework on BEPS on 5 Jan 2026.</li> <li>Clarified that the Multinational Enterprise (Minimum Tax) Act 2024 of Singapore (“<b>MMT Act</b>”) obtained transitional qualified status, and the multinational enterprise top-up tax and domestic top-up tax are recognised as qualified income inclusion rule and qualified domestic minimum top-up tax (“<b>QDMTT</b>”), respectively, with effect from 1 Jan 2025.</li> <li>Updated content to include references to the new Multinational Enterprise (Minimum Tax) (Administrative Matters) Regulations 2025 of Singapore that was gazetted on 30 Dec 2025.</li> <li>Updated content to reflect amendments to the definition of the term “reverse hybrid entity”.</li> <li>Updated content to reflect amendments to the adjustments to the consolidated group revenue and for other changes from the Finance (Income Taxes) Act 2025 of Singapore (“<b>2025 Amendment Act</b>”) and Multinational Enterprise (Minimum Tax) (Amendment No. 2) Regulations 2025 of Singapore (“<b>2025 Amendment Regulations</b>”).</li> </ul>
Two (Computation of GloBE Income or Loss)	<ul style="list-style-type: none"> <li>Updated content to reflect amendments to the definition of the term “flow-through entity” (“<b>FTE</b>”) and the computation of the financial accounting net income or loss (“<b>FANIL</b>”) of FTEs and their constituent entity (“<b>CE</b>”) -owners, and introduced a new term “reference entities”.</li> <li>Updated content to reflect amendments to the definition of the term “portfolio shareholding”, adjustments for excluded equity gains or losses, and for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>

<p>Three (Computation of Adjusted Covered Taxes)</p>	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments to the rules on qualifying foreign tax credits, including the amended terms “qualifying foreign tax credit” and “relevant foreign income”, and the new rules on special foreign tax assets.</li> <li>• Updated content to reflect the new provision on divergence between the GloBE and accounting values.</li> <li>• Updated content to reflect the new rules on recaptured deferred tax liabilities and unclaimed accrual elections, including the amended term “unclaimed accrual”.</li> <li>• Updated content to reflect the new rules on reallocation of taxes for reverse hybrid entities (“<b>RHEs</b>”), and the capping rule for controlled foreign company taxes and taxes in respect of RHEs.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>
<p>Four (Computation of ETR and Top-Up Amount)</p>	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments relating to the formula for determining the top-up amount of CEs and to address a scenario where the CEs have an additional current top-up amount attributable to a recalculation under section 21(4) of the MMT Act for more than one previous financial year. Inserted a new example to illustrate how such calculations are performed.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>
<p>Five (Transition Rules)</p>	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments to the definition of the term “transition year” for the purpose of the transition rules.</li> <li>• Updated content to reflect the new rules on pre-regime deferred tax asset or liability that are excluded in certain circumstances.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>

Six (Safe Harbours)	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments to the definition of the term “simplified income tax expense” under the Transitional Country-by-Country Reporting Safe Harbour to exclude deferred tax expense from certain pre-regime deferred tax asset or liability.</li> <li>• Updated content to reflect two new disqualifying conditions for the QDMTT Safe Harbour in relation to securitisation entities and certain pre-regime deferred tax asset or liability.</li> <li>• Updated content to reflect a clarification to the top-up amount relating to additional current top-up amount under the Simplified Calculations Safe Harbour.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations</li> </ul>
Seven (Corporate Restructurings and Holding Structures)	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments to the definition of the term “relevant MNE group” for the purpose of demergers.</li> <li>• Updated content to reflect amendments to the definition of the term “multi-parent group” and provisions relating to the treatment of such groups.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>
Eight (Tax Neutrality Regimes)	<ul style="list-style-type: none"> <li>• Updated content to reflect amendments to the definition of the term “relevant owner” in relation to FTEs.</li> <li>• Updated content to reflect amendments to the provisions relating to the FANIL of FTEs that are ultimate parent entities, their permanent establishments (“<b>PEs</b>”) and PEs of certain FTEs.</li> <li>• Updated content for other changes from the 2025 Amendment Act and 2025 Amendment Regulations.</li> </ul>