

Budget 2017

Tax Changes for Businesses

Name of Tax Change	Current Treatment	New Treatment
Simplifying and Rationalizing our Tax Regime		
Enhancing the Global Trader Programme (“GTP”)	The GTP grants a concessionary tax rate of 5% or 10% on qualifying income derived by approved global trading companies from qualifying transactions.	<p>To facilitate and encourage more trading activities in Singapore and to simplify the GTP, the GTP will be enhanced as follows:</p> <ul style="list-style-type: none">(a) The requirement for qualifying transactions to be carried out with qualifying counterparties will be removed. Consequently, concessionary tax rate will be granted to approved global trading companies on income derived from qualifying transactions with any counterparty;(b) Concessionary tax rate will be granted to approved global trading companies on physical trading income derived from transactions in which the commodity is purchased for the purposes of consumption in Singapore or for the supply of fuel to aircraft or vessels within Singapore;

		<p>(c) Concessionary tax rate will be granted to approved global trading companies on physical trading income attributable to storage in Singapore or any activity carried out in Singapore which adds value to commodity by any physical alteration, addition or improvement (including refining, blending, processing or bulk-breaking); and</p> <p>(d) The substantive requirement to qualify for the GTP will be increased.</p> <p>The enhancements in (a) to (c) will apply to qualifying income derived on or after 21 February 2017 by approved global trading companies from qualifying transactions.</p> <p>The enhancement in (d) will apply to new or renewal incentive awards approved on or after 21 February 2017.</p> <p>IE will release further details of the change by May 2017.</p>
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