AGREEMENT BETWEEN THE SINGAPORE TRADE OFFICE IN TAIPEI AND THE TAIPEI REPRESENTATIVE OFFICE IN SINGAPORE FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE

Date of Conclusion: 31 December 2025

Entry into Force: 13 February 2026

Effective Date: 1 January 2027

NOTE

There was an earlier Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. The text of this Agreement which was signed on 30 December 1981 and effective from 1 January 1982 is shown in **Annex A**.

The Singapore Trade Office in Taipei and the Taipei Representative Office in Singapore,

Desiring to further develop their economic relationship and to enhance their co-operation in tax matters,

Intending to conclude an Agreement for the elimination of double taxation with respect to taxes on income without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Agreement for the indirect benefit of residents of third territories or jurisdictions),

Have agreed as follows:

ARTICLE 1 – PERSONS COVERED

1. This Agreement shall apply to persons who are residents of one or both of the territories.

2. (a) Notwithstanding the other provisions of this Agreement, a collective investment vehicle in a territory which receives income arising in the other territory shall be treated, for purposes of applying the Agreement to such income, as a resident of the first-mentioned territory, and as the beneficial owner of the income it receives (provided that, if a resident of the first-mentioned territory had received the income in the same circumstances, the resident would have been considered to be the beneficial owner thereof).

(b) For purposes of this paragraph, the term "collective investment vehicle in a territory" means:

(i) in the case of the territory referred to in paragraph 3(a) of Article 2, an arrangement that is a collective investment scheme under the Securities and Futures Act ("SFA") and is not exempted from Subdivisions (2) and (3) of Division 2, Part XIII of the SFA by virtue of any of the provisions in Subdivision (4) of Division 2, Part XIII of the SFA of that territory and:

(A) where the arrangement is not constituted in the form of a trust, it is controlled and managed in that territory; or

(B) where the arrangement is constituted as a trust, the trustee is tax resident in that territory;

(ii) in the case of the territory referred to in paragraph 3(b) of Article 2, mutual trust funds, securities investment trust funds, futures trust funds, and real estate investment trusts, which are publicly offered and established in accordance with relevant laws of that territory; and

(iii) any other investment fund, arrangement, or entity established in either territory which the competent authorities of the territories agree to regard as a collective investment vehicle in a territory for purposes of this paragraph.

ARTICLE 2 – TAXES COVERED

1. This Agreement shall apply to taxes on income imposed in each territory irrespective of the manner in which they are levied.

2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of movable or immovable property.

3. The existing taxes to which the Agreement shall apply are in particular:

   (a) in the territory in which the taxation law administered by the Inland Revenue Authority of Singapore is applied:

   - the income tax;

   (b) in the territory in which the taxation law administered by the Taxation Administration, Ministry of Finance, Taipei is applied:

   (i) the profit-seeking enterprise income tax;

   (ii) the individual income tax; and

   (iii) the income basic tax.

4. This Agreement shall also apply to any taxes of a substantially similar character which are subsequently imposed in addition to, or in place of, the existing taxes. The competent authorities of the territories shall notify each other of any significant changes that have been made in their respective taxation laws.

ARTICLE 3 – GENERAL DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:

(a) the term “a territory” means the territory referred to in paragraph 3(a) or 3(b) of Article 2 of this Agreement, as the case requires, and “the other territory” and “territories” shall be construed accordingly;

(b) the term “person” includes an individual, a company and any other body of persons which is treated as an entity for tax purposes;

(c) the term “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;

(d) the terms “enterprise of a territory” and “enterprise of the other territory” mean respectively an enterprise carried on by a resident of a territory and an enterprise carried on by a resident of the other territory;

(e) the term “international traffic” means any transport by a ship or aircraft operated by an enterprise of a territory, except when the ship or aircraft is operated solely between places in the other territory;

(f) the term “competent authority” means:

(i) in the case of the territory referred to in paragraph 3(a) of Article 2, the Commissioner of Inland Revenue or his authorised representative;

(ii) in the case of the territory referred to in paragraph 3(b) of Article 2, the Ministry of Finance or its authorised representative;

(g) the term “citizen” means:

(i) with respect to the territory referred to in paragraph 3(a) of Article 2, any natural person who is a citizen of that territory within the meaning of its Constitution and its domestic laws; and

(ii) with respect to the territory referred to in paragraph 3(b) of Article 2, any natural person who has the citizenship of that territory with personal identification registration with the authorities of that territory in accordance with its domestic laws;

(h) the term “statutory body” means a body constituted by any statute of a territory, or a subdivision or a local authority thereof, and performing functions which would otherwise be performed by the territory, subdivision or authority.

2. As regards the application of the Agreement at any time by a territory, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that territory for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that territory prevailing over a meaning given to the term under other laws of that territory.

ARTICLE 4 – RESIDENT

1. For the purposes of this Agreement, the term “resident of a territory” means any person who is a resident in accordance with the tax laws in that territory, and also includes that territory, the authority administering that territory or any subdivision or local authority or statutory body thereof.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both territories, then his status shall be determined as follows:

   (a) he shall be deemed to be a resident only of the territory in which he has a permanent home available to him; if he has a permanent home available to him in both territories, he shall be deemed to be a resident only of the territory with which his personal and economic relations are closer (centre of vital interests);

   (b) if the territory in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either territory, he shall be deemed to be a resident only of the territory in which he has an habitual abode;

   (c) if he has an habitual abode in both territories or in neither of them, the competent authorities of the territories shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both territories, then it shall be deemed to be a resident only of the territory in which its place of effective management is situated. If its place of effective management cannot be determined, the competent authorities of the territories shall settle the question by mutual agreement.

ARTICLE 5 – PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, the term “permanent establishment” means a fixed place of business through which the business of the enterprise is wholly or partly carried on.

2. The term “permanent establishment” includes especially:

   (a) a place of management;
   (b) a branch;
   (c) an office;
   (d) a factory;
   (e) a workshop; and
   (f) a mine, an oil or gas well, a quarry or any other place of extraction of natural resources.

3. The term “permanent establishment” also includes:

   (a) a building site, a construction, installation or assembly project or supervisory activities in connection therewith, but only if such site, project or activities last more than 9 months;

   (b) the furnishing of services, including consultancy services, by an enterprise of a territory through employees or other personnel engaged by the enterprise for such purpose, but only where activities of that nature continue (for the same or a connected project) within the other territory for a period or periods aggregating more than 183 days within any 12-month period.

4. Notwithstanding the preceding provisions of this Article, the term “permanent establishment” shall be deemed not to include:

   (a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;

   (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;

(c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

(d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise;

(e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the enterprise, any other activity of a preparatory or auxiliary character; or

(f) the maintenance of a fixed place of business solely for any combination of activities mentioned in sub-paragraphs (a) to (e), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.

5. Notwithstanding the provisions of paragraphs 1 and 2, where a person - other than an agent of an independent status to whom paragraph 6 applies - is acting on behalf of an enterprise and has, and habitually exercises, in a territory an authority to conclude contracts in the name of the enterprise, that enterprise shall be deemed to have a permanent establishment in that territory in respect of any activities which that person undertakes for the enterprise, unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph.

6. An enterprise shall not be deemed to have a permanent establishment in a territory merely because it carries on business in that territory through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

7. The fact that a company which is a resident of a territory controls or is controlled by a company which is a resident of the other territory, or which carries on business in that other territory (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

ARTICLE 6 – INCOME FROM IMMOVABLE PROPERTY

1. Income derived by a resident of a territory from immovable property situated in the other territory may be taxed in that other territory.

2. The term “immovable property” shall have the meaning which it has under the law of the territory in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph l shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

4. The provisions of paragraphs l and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

ARTICLE 7 – BUSINESS PROFITS

1. The profits of an enterprise of a territory shall be taxable only in that territory unless the enterprise carries on business in the other territory through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other territory but only so much of them as is attributable to that permanent establishment.

2. Subject to the provisions of paragraph 3, where an enterprise of a territory carries on business in the other territory through a permanent establishment situated therein, there shall in each territory be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In determining the profits of a permanent establishment, there shall be allowed as deductions all expenses, including executive and general administrative expenses, which would be deductible if the permanent establishment were an independent enterprise, insofar as they are reasonably allocable to the permanent establishment, whether incurred in the territory in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.

5. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.

6. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 – SHIPPING AND AIR TRANSPORT

1. Profits derived by an enterprise of a territory from the operation of ships or aircraft in international traffic shall be taxable only in that territory.

2. The provisions of paragraph 1 shall also apply to profits from the participation in a pool, a joint business or an international operating agency, but only to so much of the profits so derived as is attributable to the participant in proportion to its share in the joint operation.

3. Interest on funds connected with the operations of ships or aircraft in international traffic shall be regarded as profits derived from the operation of such ships or aircraft, and the provisions of Article 11 shall not apply in relation to such interest.

4. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic shall include:

   (a) profits from the rental on a full (time or voyage) basis or a bareboat basis of ships or aircraft; and

   (b) profits from the use, maintenance or rental of containers (including trailers and related equipment for the transport of containers), used for the transport of goods or merchandise;

   where such rental or such use, maintenance or rental, as the case may be, is incidental to the operation of ships or aircraft in international traffic.

ARTICLE 9 – ASSOCIATED ENTERPRISES

1. Where

   (a) an enterprise of a territory participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or

   (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a territory and an enterprise of the other territory,

   and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a territory includes in the profits of an enterprise of that territory - and taxes accordingly - profits on which an enterprise of the other territory has been charged to tax in that other territory and the profits so included are profits which would have accrued to the enterprise of the first-mentioned territory if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other territory shall make an appropriate adjustment to the amount of the tax charged therein on those agreed profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the territories shall if necessary consult each other.

ARTICLE 10 – DIVIDENDS

1. Dividends paid by a company which is a resident of a territory to a resident of the other territory may be taxed in that other territory.

2. However, dividends paid by a company which is a resident of a territory may also be taxed in that territory according to the laws of that territory, but if the beneficial owner of the dividends is a resident of the other territory, the tax so charged shall not exceed 10 per cent of the gross amount of the dividends.

   This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The term “dividends” as used in this Article means income from shares, “jouissance” shares or “jouissance” rights, mining shares, founders’ shares or other rights, not being debt-claims, participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the territory of which the company making the distribution is a resident.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the dividends, being a resident of a territory, carries on business in the other territory of which the company paying the dividends is a resident, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

5. Where a company which is a resident of a territory derives profits or income from the other territory, that other territory may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other territory or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or a fixed base situated in that other territory, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other territory.

ARTICLE 11 – INTEREST

1. Interest arising in a territory and paid to a resident of the other territory may be taxed in that other territory.

2. However, interest arising in a territory may also be taxed in that territory according to the laws of that territory, but if the beneficial owner of the interest is a resident of the other territory, the tax so charged shall not exceed 10 per cent of the gross amount of the interest.

3. Notwithstanding the provisions of paragraph 2, interest arising in a territory and paid to a resident of the other territory shall be taxable only in that other territory if the recipient is the beneficial owner of the interest and:

   (a) the recipient is that other territory, the authority administering that territory or any subdivision or local authority or statutory body thereof;

   (b) the interest is paid by a bank of a territory to a bank of the other territory; or

   (c) the recipient is one of the following:

      (i) in the case of the territory referred to in paragraph 3(a) of Article 2:

         (A) the Monetary Authority of Singapore and its wholly-owned (direct or indirect) subsidiaries;

         (B) entities, including special-purpose investment funds or arrangements, wholly-owned (directly or indirectly) by the territory referred to in paragraph 3(a) of Article 2, which are set up to invest and manage the assets of the territory referred to in paragraph 3(a) of Article 2, and where the interest paid relates to such assets. For avoidance of doubt, this includes, but is not limited to, GIC Private Limited, GIC (Realty) Private Limited, GIC (Ventures) Pte. Ltd., Eurovest Pte. Ltd., and their wholly-owned (direct or indirect) subsidiaries;

(ii) in the case of the territory referred to in paragraph 3(b) of Article 2:

(A) the Central Bank;

(B) the Export-Import Bank;

(C) the entities specified in item (4) of subparagraph 2 of paragraph 1 of Article 5 of the Regulations Governing Application of Agreements for the Avoidance of Double Taxation with Respect to Taxes on Income which was amended and issued on August 12, 2021 and which are wholly-owned (directly or indirectly) by the territory referred to in paragraph 3(b) of Article 2[1]; and

(iii) any institution as may be agreed between the competent authorities of the territories.

4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

5. The provisions of paragraphs 1, 2 and 3(b) shall not apply if the beneficial owner of the interest, being a resident of a territory, carries on business in the other territory in which the interest arises, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

6. Interest shall be deemed to arise in a territory when the payer is a resident of that territory. Where, however, the person paying the interest, whether he is a resident of a territory or not, has in a territory a permanent establishment or a fixed base in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment or fixed base, then such interest shall be deemed to arise in the territory in which the permanent establishment or fixed base is situated.

[1] The list of entities can be found here. This list may be updated from time to time.

7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each territory, due regard being had to the other provisions of this Agreement.

ARTICLE 12 – ROYALTIES

1. Royalties arising in a territory and paid to a resident of the other territory may be taxed in that other territory.

2. However, royalties arising in a territory may also be taxed in that territory according to the laws of that territory, but if the beneficial owner of the royalties is a resident of the other territory, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties.

3. The term “royalties” as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films, and films or tapes for radio or television broadcasting, patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.

4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a territory, carries on business in the other territory in which the royalties arise, through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such case, the provisions of Article 7 or Article 14, as the case may be, shall apply.

5. Royalties shall be deemed to arise in a territory when the payer is a resident of that territory. Where, however, the person paying the royalties, whether he is a resident of a territory or not, has in a territory a permanent establishment or a fixed base in connection with which the liability to pay the royalties was incurred, and such royalties are borne by such permanent establishment or fixed base, then such royalties shall be deemed to arise in the territory in which the permanent establishment or fixed base is situated.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable

according to the laws of each territory, due regard being had to the other provisions of this Agreement.

ARTICLE 13 – CAPITAL GAINS

1. Gains derived by a resident of a territory from the alienation of immovable property referred to in Article 6 and situated in the other territory may be taxed in that other territory.

2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a territory has in the other territory or of movable property pertaining to a fixed base available to a resident of a territory in the other territory for the purpose of performing independent personal services, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other territory.

3. Gains derived by a resident of a territory from the alienation of ships or aircraft operated in international traffic, or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in that territory.

4. Gains derived by a resident of a territory from the alienation of shares or comparable interests of any kind (including interests in a partnership or trust), other than such shares or comparable interests traded on any recognised stock exchange, may be taxed in the other territory if these shares or comparable interests derived more than 50 per cent of their value directly or indirectly from immovable property, as defined in Article 6, situated in that other territory.

5. Gains from the alienation of any property other than that referred to in the preceding paragraphs of this Article shall be taxable only in the territory of which the alienator is a resident.

ARTICLE 14 – INDEPENDENT PERSONAL SERVICES

1. Income derived by an individual who is a resident of a territory in respect of professional services or other activities of an independent character shall be taxable only in that territory except in the following circumstances, when such income may also be taxed in the other territory:

   (a) if he has a fixed base regularly available to him in the other territory for the purpose of performing his activities; in that case, only so much of the income as is attributable to that fixed base may be taxed in that other territory; or

   (b) if his stay in the other territory is for a period or periods exceeding in the aggregate 183 days in any 12-month period; in that case, only so much of the income as is derived from his activities performed in that other territory may be taxed in that other territory.

2. The term “professional services” includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

ARTICLE 15 – DEPENDENT PERSONAL SERVICES

1. Subject to the provisions of Articles 16, 18, 19, and 21, salaries, wages and other similar remuneration derived by a resident of a territory in respect of an employment shall be taxable only in that territory unless the employment is exercised in the other territory. If the employment is so exercised, such remuneration as is derived therefrom may be taxed in that other territory.

2. Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a territory in respect of an employment exercised in the other territory shall be taxable only in the first-mentioned territory if:

   (a) the recipient is present in the other territory for a period or periods not exceeding in the aggregate 183 days in any 12-month period commencing or ending in the calendar year concerned; and

   (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other territory; and

   (c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the other territory.

3. Notwithstanding the preceding provisions of this Article, remuneration derived in respect of an employment exercised aboard a ship or aircraft operated in international traffic by an enterprise of a territory may be taxed in that territory.

ARTICLE 16 – DIRECTORS’ FEES

Directors' fees and other similar payments derived by a resident of a territory in his capacity as a member of the board of directors of a company which is a resident of the other territory may be taxed in that other territory.

ARTICLE 17 – ENTERTAINERS AND SPORTSPERSONS

1. Notwithstanding the provisions of Articles 14 and 15, income derived by a resident of a territory as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsperson, from that resident's personal activities as such exercised in the other territory, may be taxed in that other territory.

2. Where income in respect of personal activities exercised by an entertainer or a sportsperson acting as such accrues not to the entertainer or sportsperson but to another person, that income may, notwithstanding the provisions of Articles 7, 14 and 15, be taxed in the territory in which the activities of the entertainer or sportsperson are exercised.

3. The provisions of paragraphs 1 and 2 shall not apply to income derived from activities exercised in a territory by an entertainer or a sportsperson if the visit to that territory is wholly or mainly supported by public funds of one or both of the territories, the authorities administering a territory or any subdivision or local authorities or statutory bodies thereof. In such case, the income shall be taxable only in the territory in which the entertainer or the sportsperson is a resident.

ARTICLE 18 – PENSIONS

Pensions and other similar remuneration arising in a territory and paid to a resident of the other territory in consideration of past employment shall be taxable only in the first mentioned territory.

ARTICLE 19 – PUBLIC SERVICE

1. (a) Salaries, wages and other similar remuneration paid by a territory or the authority administering that territory or any subdivision or local authority or statutory body thereof to an individual in respect of services rendered to that territory or subdivision or authority or body shall be taxable only in that territory.

   (b) However, such salaries, wages and other similar remuneration shall be taxable only in the other territory if the services are rendered in that territory and the individual is resident of that territory who:

      (i) is a citizen of that territory; or

      (ii) did not become a resident of that territory solely for the purpose of rendering the services.

2. The provisions of Articles 15, 16, 17, and 18 shall apply to salaries, wages, pensions, and other similar remuneration in respect of services rendered in connection with a business carried on by a territory or the authority administering that territory or any subdivision or local authority or statutory body thereof.

ARTICLE 20 – STUDENTS

Payments which a student or business apprentice who is or was immediately before visiting a territory a resident of the other territory and who is present in the first-mentioned territory solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that territory, provided that such payments arise from sources outside that territory.

ARTICLE 21 – PROFESSORS AND TEACHERS

A professor or teacher, who makes a temporary visit to a territory for a period not exceeding two years for the purpose of teaching or conducting research at a university, college, school or other education institution, and who is, or immediately before such visit was, a resident of the other territory, shall be exempt from tax in the first-mentioned territory in respect of remuneration for such teaching or research.

ARTICLE 22 – OTHER INCOME

1. Items of income of a resident of a territory, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that territory.

2. The provisions of paragraph 1 shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6, if the recipient of such income, being a resident of a territory, carries on business in the other territory through a permanent establishment situated therein, or performs in that other territory independent personal services from a fixed base situated therein, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 or Article 14, as the case may be, shall apply.

3. Notwithstanding the provisions of paragraphs 1 and 2, items of income of a resident of a territory not dealt with in the foregoing Articles of this Agreement and arising in the other territory may also be taxed in that other territory.

ARTICLE 23 – ELIMINATION OF DOUBLE TAXATION

1. In the case of the territory referred to in paragraph 3(a) of Article 2, double taxation shall be avoided as follows:

   (a) Where a resident of the territory referred to in paragraph 3(a) of Article 2 derives income from the other territory which, in accordance with the provisions of this Agreement, may be taxed in the other territory, the tax paid in the other territory, whether directly or by deduction, shall be allowed as a credit against the tax payable on the income of that resident in the territory referred to in paragraph 3(a) of Article 2, subject to its laws regarding the allowance as a credit against the tax payable in the territory referred to in paragraph 3(a) of Article 2. Where such income is a dividend paid by a company which is a resident of the other territory to a resident of the territory referred to in paragraph 3(a) of Article 2 which is a company owning directly or indirectly not less than 10 per cent of the share capital of the first-mentioned company, the credit shall take into account the tax paid by that company on the portion of its profits out of which the dividend is paid.

   (b) Where a resident of the territory referred to in paragraph 3(a) of Article 2 derives income from the other territory, the territory referred to in paragraph 3(a) of Article 2 shall, subject to the conditions of exemption for income received from outside that territory provided for in the Income Tax Act of that territory being satisfied, exempt such income from tax in that territory.

2. In the case of the territory referred to in paragraph 3(b) of Article 2, double taxation shall be avoided as follows:

   (a) Where a resident of the territory referred to in paragraph 3(b) of Article 2 derives income from the other territory, the amount of tax on that income paid in the other territory (but excluding, in the case of dividend, tax paid in respect of the profits out of which the dividend is paid) and in accordance with the provisions of this Agreement, shall be credited against the tax levied in the territory referred to in paragraph 3(b) of Article 2 imposed on that resident. The amount of credit, however, shall not exceed the amount of the tax in the territory referred to in paragraph 3(b) of Article 2 on that income computed in accordance with its taxation laws and regulations.

(b) Notwithstanding the provisions of paragraph 2(a), where the income is a dividend paid by a company which is a resident of the other territory to a resident of the territory referred to in paragraph 3(b) of Article 2, which is a company owning directly or indirectly not less than 25 per cent of the share capital of the first-mentioned company, the provisions of paragraph 2(a) shall apply as if they did not exclude, in the case of dividends, tax paid in respect of the profits out of which the dividend is paid. In such case, "the amount of tax on that income paid in the other territory" shall include the underlying tax paid by the first-mentioned company on the portion of its profits out of which the dividend is paid. The credit shall not exceed that part of the tax payable in the territory referred to in paragraph 3(b) of Article 2, as computed before the credit is given, which is appropriate to such item of income. This subparagraph shall apply for the first three years for which this Agreement is effective.

3. The terms "tax paid in the other territory, whether directly or by deduction" and "the amount of tax on that income paid in the other territory" stated in paragraphs 1 and 2 respectively shall be deemed to include the amount of tax which would have been paid if the tax had not been exempted or reduced in accordance with laws designed to promote economic development in that other territory. This paragraph shall apply for the first three years for which this Agreement is effective.

ARTICLE 24 – NON-DISCRIMINATION

1. Citizens of a territory or legal persons, partnerships, associations and other entities deriving their status as such from the laws in force in a territory shall not be subjected in the other territory to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which citizens of that other territory or legal persons, partnerships, associations and other entities deriving their status as such from the laws in force in that other territory in the same circumstances, in particular with respect to residence, are or may be subjected.

2. The taxation on a permanent establishment which an enterprise of a territory has in the other territory shall not be less favourably levied in that other territory than the taxation levied on enterprises of that other territory carrying on the same activities.

3. Nothing in this Article shall be construed as obliging a territory to grant to:

   (a) residents of the other territory any personal allowances, reliefs and reductions for tax purposes which it grants to its own residents; or

   (b) citizens of the other territory any personal allowances, reliefs and reductions for tax purposes which it grants to its own citizens who are not residents of that territory or to such other persons as may be specified in the taxation laws of that territory.

4. Enterprises of a territory, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other territory, shall not be subjected in the first-mentioned territory to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned territory are or may be subjected.

5. Where a territory grants tax incentives to its citizens or legal persons, partnerships, associations and other entities deriving their status as such from the laws in force in that territory designed to promote economic or social development in accordance with the policy and criteria of a territory, it shall not be construed as discrimination under this Article.

6. The provisions of this Article shall apply to the taxes which are the subject of this Agreement.

ARTICLE 25 – MUTUAL AGREEMENT PROCEDURE

1. Where a person considers that the actions of one or both of the territories result or will result for him in taxation not in accordance with the provisions of this Agreement, he may, irrespective of the remedies provided by the domestic law of those territories, present his case to the competent authority of the territory of which he is a resident or, if his case comes under paragraph 1 of Article 24, to that of the territory of which he is a citizen or legal person, partnership, association and other entity deriving its status as such from the laws in force in that territory. The case must be presented within 3 years from the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other territory, with a view to the avoidance of taxation which is not in accordance with the Agreement. Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the territories.

3. The competent authorities of the territories shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.

4. The competent authorities of the territories may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

ARTICLE 26 – EXCHANGE OF INFORMATION

1. The competent authorities of the territories shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws concerning taxes of every kind and description imposed on behalf of the territories, or of their subdivisions or local authorities, insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Articles 1 and 2.

2. Any information received under paragraph 1 by a territory shall be treated as secret in the same manner as information obtained under the domestic laws of that territory and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a territory may be used for other purposes when such information may be used for such other purposes under the laws of both territories and the competent authority of the supplying territory authorises such use.

3. In no case shall the provisions of paragraphs 1 and 2 be construed so as to impose on a territory the obligation:

   (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other territory;

   (b) to supply information which is not obtainable under the laws or in the normal course of the administration of that or of the other territory;

   (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).

4. If information is requested by a territory in accordance with this Article, the other territory shall use its information gathering measures to obtain the requested information, even though that other territory may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph

3 but in no case shall such limitations be construed to permit a territory to decline to supply information solely because it has no domestic interest in such information.

5. In no case shall the provisions of paragraph 3 be construed to permit a territory to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

ARTICLE 27 – ENTITLEMENT TO BENEFITS

1. Notwithstanding the other provisions of this Agreement, a benefit under this Agreement shall not be granted in respect of an item of income if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of this Agreement.

2. Where this Agreement provides (with or without other conditions) that income from sources in a territory shall be exempt from tax, or taxed at a reduced rate, in that territory and under the laws in force in the other territory the said income is subject to tax by reference to the amount thereof which is remitted to or received in that other territory and not by reference to the full amount thereof, then the exemption or reduction of tax to be allowed under this Agreement in the first-mentioned territory shall apply to so much of the income as is remitted to or received in that other territory.

3. Paragraph 2 shall not be construed to apply when the territory referred to in paragraph 3(a) of Article 2 exempts income received from outside its territory under paragraph 1(b) of Article 23. In such a case, the exemption or reduction of tax to be allowed under this Agreement in the territory referred to in paragraph 3(b) of Article 2 shall apply to the full amount of income from sources in the territory referred to in paragraph 3(b) of Article 2 that is exempted from tax in the territory referred to in paragraph 3(a) of Article 2.

ARTICLE 28 – ENTRY INTO FORCE

1. The Taipei Representative Office in Singapore and the Singapore Trade Office in Taipei shall notify each other in writing of the completion of the procedures required in their respective territories for the entry into force of this Agreement. The Agreement shall enter into force on the date of the later of these written notifications.

2. (a) In the case of the territory referred to in paragraph 3(a) of Article 2, the provisions of the Agreement shall have effect:

(i) in respect of taxes withheld at source, on amounts liable to be paid, deemed paid or paid (whichever is the earliest) on or after 1 January of the calendar year next following the year in which the Agreement enters into force;

(ii) in respect of tax chargeable (other than taxes withheld at source) for any year of assessment beginning on or after 1 January of the second calendar year following the year in which the Agreement enters into force; and

(iii) in respect of Article 26 (Exchange of Information), for requests made and in any other case, for assistance provided on or after the date of entry into force of the Agreement concerning information for taxes relating to taxable periods beginning on or after 1 January 1982; or where there is no taxable period, for all charges to tax arising on or after 1 January 1982.

(b) In the case of the territory referred to in paragraph 3(b) of Article 2, the provisions of the Agreement shall have effect:

(i) in respect of taxes due or withheld at source on income payable on or after 1 January of the calendar year next following the year in which the Agreement enters into force;

(ii) in respect of other taxes chargeable on income of taxable periods beginning on or after 1 January of the calendar year next following the year in which the Agreement enters into force; and

(iii) in respect of Article 26 (Exchange of Information), for requests made and in any other case, for assistance provided on or after the date of entry into force of the Agreement concerning information for taxes relating to taxable periods beginning on or after 1 January 1982; or where there is no taxable period, for all charges to tax arising on or after 1 January 1982.

3. The Exchange of Letters between both territories signed and exchanged on December 30, 1981, and its Annex, the Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, shall cease to have effect for all cases covered by this Agreement as from the date on which the provisions of this Agreement commence to have effect.

ARTICLE 29 – TERMINATION

This Agreement shall remain in force indefinitely but either the Taipei Representative Office in Singapore or the Singapore Trade Office in Taipei may terminate the Agreement by giving written notice of termination at least six months before the end of any calendar year after the expiration of a period of five years from the date on which the Agreement enters into force. In such event, the Agreement shall cease to be effective:

(a) In the case of the territory referred to in paragraph 3(a) of Article 2:

(i) in respect of taxes withheld at source, on amounts liable to be paid, deemed paid or paid (whichever is the earliest) after the end of that calendar year in which the notice is given;

(ii) in respect of tax chargeable (other than taxes withheld at source) for any year of assessment beginning on or after 1 January in the second calendar year following the year in which the notice is given; and

(iii) in all other cases, including requests made under Article 26 (Exchange of Information) after the end of that calendar year in which the notice is given.

(b) In the case of the territory referred to in paragraph 3(b) of Article 2:

(i) in respect of taxes due or withheld at source, on income payable on or after 1 January of the calendar year next following the year in which the notice is given;

(ii) in respect of other taxes chargeable, on income of taxable periods beginning on or after 1 January of the calendar year next following the year in which the notice is given; and

(iii) in all other cases, including requests made under Article 26 (Exchange of Information) after the end of that calendar year in which the notice is given.

IN WITNESS WHEREOF the undersigned, duly authorised thereto, have signed this Agreement.

DONE in duplicate at Singapore on this 31st day of December 2025 in the English language.

FOR THE SINGAPORE TRADE OFFICE IN TAIPEI	FOR THE TAIPEI REPRESENTATIVE OFFICE IN SINGAPORE
YIP WEI KIAT **TRADE REPRESENTATIVE**	**DR. TUNG CHEN-YUAN** **REPRESENTATIVE**

ANNEX A

AGREEMENT
FOR THE AVOIDANCE OF DOUBLE TAXATION AND
THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME

ARTICLE 1 - PERSONAL SCOPE

This Agreement shall apply to persons who are residents of one or both of the territories.

ARTICLE 2 - TAXES COVERED

1. This Agreement shall apply to taxes on income imposed in each territory irrespective of the manner in which they are levied.

2. The existing taxes which are the subject of this Agreement are taxes on income as specified in the Exchange of Letters.

3. This Agreement shall also apply to any other taxes of a substantially similar character which are subsequently imposed in addition to, or in place of, the existing taxes.

4. If by reason of changes made in the taxation law of either territory, it seems desirable to amend any article of this Agreement without affecting the general principles thereof the necessary amendments may be made by mutual consent by means of an exchange of letters.

ARTICLE 3 - GENERAL DEFINITIONS

1. In this Agreement, unless the context otherwise requires:

(a) the terms "a territory" and "the other territory" are defined in the Exchange of Letters;

(b) the term "person" comprises an individual, a company and any other body of persons which is treated as an entity for tax purposes;

(c) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;

(d) the terms "enterprise of a territory" and "enterprise of the other territory" mean respectively an enterprise carried on by a resident of a territory and an enterprise carried on by a resident of the other territory;

(e) the term "competent authority" is defined in the Exchange of Letters;

(f) the term "income or profits of an enterprise" does not include rents or royalties in respect of literary or artistic copyrights, motion picture films or of tapes for television or broadcasting, or of mines, oil wells, quarries or other places of extraction of natural resources or of timber or forest produce, or income in the form of dividends, interest, rents, royalties or fees or other remuneration derived from the management, control or supervision of the trade, business or other activity of another enterprise or concern, or remuneration for labour or personal services, or income derived from the operation of ships or aircraft.

2. As regards the application of this Agreement in either territory, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws in that territory relating to the taxes which are the subject of this Agreement.

ARTICLE 4 - FISCAL DOMICILE

1. For the purposes of this Agreement, the term "resident of a territory" means any person who is a resident in accordance with the tax laws in that territory.

2. Where by reason of the provisions of paragraph 1 an individual is a resident of both territories, then his case shall be determined in accordance with the following rules:

(a) he shall be deemed to be a resident of the territory in which he has a permanent home available to him. If he has a permanent home available to him in both territories, he shall be deemed to be a resident of the territory with which his personal and economic relations are closer (centre of vital interests);

(b) if the territory in which he has his centre of vital interests cannot be determined, or if he has not a permanent home available to him in either territory, he shall be deemed to be a resident of the territory in which he has an habitual abode;

(c) if he has an habitual abode in both territories or in neither of them, the competent authorities of the territories shall settle the question by mutual agreement.

3. Where by reason of the provisions of paragraph 1 a person other than an individual is a resident of both territories, then it shall be deemed to be a resident of the territory in which the control and management of its business is exercised.

ARTICLE 5 - PERMANENT ESTABLISHMENT

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business in which the business of the enterprise is wholly or partly carried on.

2. The term "permanent establishment" shall include especially:

(a) a place of management;

(b) a branch;

(c) an office;

(d) a factory;

(e) a workshop;

(f) a mine, oil well, quarry or other place of extraction of natural resources;

(g) a plantation, farm, orchard or vineyard;

(h) building site, construction, installation and assembly project which exist in the aggregate for more than six months in a calendar year or for more than six consecutive months overlapping two calendar years.

3. The term "permanent establishment" shall not be deemed to include:

(a) the use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise;

(b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;

(c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;

(d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise;

(e) the maintenance of a fixed place of business solely for the purpose of advertising, for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character, for the enterprise.

4. An enterprise of a territory, notwithstanding it has no fixed place of business in the other territory, shall be deemed to have a permanent establishment in that other territory if it carries on supervisory activities therein in connection with construction, installation and assembly projects which are being undertaken in that other territory in the aggregate for more than six months in a calendar year or for more than six consecutive months overlapping two calendar years.

5. A person acting in a territory on behalf of an enterprise of the other territory (other than an agent of an independent status to whom paragraph 6 applies) notwithstanding he has no fixed place of business in the first-mentioned territory shall be deemed to be a permanent establishment in that territory if -

(a) he has, and habitually exercises a general authority in the first-mentioned territory to conclude contracts in the name of the enterprise; or

(b) he maintains in the first-mentioned territory a stock of goods or merchandise belonging to the enterprise from which he regularly fills orders on behalf of the enterprise; or

(c) he regularly secures orders in the first-mentioned territory wholly or almost wholly for the enterprise.

6. An enterprise of a territory shall not be deemed to have a permanent establishment in the other territory merely because it carries on business in that other territory through a broker, general commission agent or any other agent of an independent status, where such persons are acting in the ordinary course of their business.

7. The fact that a company which is a resident of a territory controls or is controlled by a company which is a resident of the other territory, or which carries on business in that other territory (whether through a permanent establishment or otherwise), shall not of itself constitute for either company a permanent establishment of the other.

ARTICLE 6 - INCOME FROM IMMOVABLE PROPERTY

1. Income from immovable property may be taxed in the territory in which such property is situated.

2. The term "immovable property" shall be defined in accordance with the law in the territory in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

4. The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of professional services.

ARTICLE 7 - BUSINESS PROFITS

1. The profits of an enterprise of a territory shall be taxable only in that territory unless the enterprise carries on business in the other territory through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other territory but only so much of them as is attributable to that permanent establishment.

2. Where an enterprise of a territory carries on business in the other territory through a permanent establishment situated therein, there shall in each territory be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

3. In the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment including executive and general administrative expenses so incurred, whether in the territory in which the permanent establishment is situated or elsewhere.

4. No profits shall be attributed to a permanent establishment by reason of the mere purchase (including transportation) by that permanent establishment of goods or merchandise for the enterprise.

5. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

ARTICLE 8 - SHIPPING AND AIR TRANSPORT

1. Notwithstanding the provisions of Article 7 of this Agreement, the income or profits of an enterprise of one of the territories from the operation of aircraft in international traffic shall be exempt from income tax, business tax and any taxes that may be raised in the future that are in the nature of income tax or business tax in the other territory.

2. The income or profits of an enterprise of one of the territories from the operation of ships in international traffic may be taxed in the other territory, but only in so far as such profits

are derived from that other territory. However, the tax so charged shall not exceed 2% of the gross revenues derived from sources in that other territory.

3. The provisions of paragraphs 1 and 2 shall likewise apply to income or profits arising from participation in shipping or aircraft pools of any kind by such enterprise engaged in shipping or air transport.

ARTICLE 9 - ASSOCIATED ENTERPRISES

Where -

(a) an enterprise of a territory participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or

(b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a territory and an enterprise of the other territory,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

ARTICLE 10 - DIVIDENDS

1. Dividends arising in a territory and paid to a resident of the other territory may be taxed in that other territory.

2. However, such dividends may be taxed in the territory in which they arise, and according to the law of that territory, but if the recipient who is a resident of the other territory beneficially owns the dividends, the tax so charged shall not exceed an amount which together with the corporate income tax payable on the profits of the company paying the dividends constitutes 40% of that part of the taxable income out of which the dividends are declared. The term "corporate income tax payable" shall be deemed to include the corporate income tax which would have been paid but for the reduction or exemption under the laws designed to promote economic development.

3. Where no dividend tax is imposed in addition to the corporate income tax on the profits of the company, the provisions of paragraph 2 shall not apply.

4. The term "dividends" as used in this Article means income from shares, mining shares, founders' shares or other right not being debt claims, participating in profits, as well as income from other corporate rights which is subject to the same taxation treatment as income from shares according to the taxation law in the territory of which the company making the distribution is a resident.

5. The provisions of paragraph 2 shall not apply if the beneficial owner of the dividends, being a resident of a territory, has in the other territory, of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case, the provisions of Article 7 shall apply.

6. Where a company which is a resident of a territory derives profits or income from the other territory, no tax may be imposed in that other territory on the dividends paid by the company except insofar as such dividends are paid to a resident of that other territory or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment in that other territory, or on the company's undistributed profits even if the dividends paid or undistributed profits consist wholly or partly of profits or income arising in such other territory.

7. Dividends shall be deemed to arise in a territory if they are paid by a company resident in that territory.

ARTICLE 11 - ROYALTIES

1. Royalties arising in a territory and paid to a resident of the other territory may be taxed in that other territory.

2. However, such royalties may be taxed in the territory in which they arise, and according to the law of that territory, but if the recipient who is a resident of the other territory beneficially owns the royalties, the tax so charged shall not exceed 15% of the gross amount of the royalties. The competent authorities of the territories shall by mutual agreement settle the mode of application of this limitation.

3. The provisions of paragraph 2 of this Article shall likewise apply to proceeds arising from the alienation of any copyright of scientific work, any patent, trade mark, design or model, plan, or secret formula or process.

4. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of scientific work, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial or scientific experience.

5. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the royalties, being a resident of a territory, has in the other territory in which the royalties arise, a permanent establishment with which the right or property in respect of which the royalties are paid is effectively connected. In such a case, the provisions of Article 7 shall apply.

6. Where, owing to a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties paid, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such a case, the excess part of the payments shall remain taxable according to the law of each territory, due regard being had to the other provisions of this Agreement.

7. Royalties shall be deemed to arise in a territory when the payer is a resident of that territory. Where, however, the person paying the royalties, whether he is a resident of a territory or not, has in a territory a permanent establishment in connection with which the obligation to pay the royalties was incurred, and such royalties are borne by such permanent establishment, then such royalties shall be deemed to arise in the territory in which the permanent establishment is situated.

ARTICLE 12 - PERSONAL SERVICES

1. Subject to the provisions of Articles 13, 14, 15 and 16, salaries, wages and other similar remuneration or income for personal (including professional) services derived by a resident of a territory shall be taxable only in that territory, unless the services are performed in the other

territory. If the services are so performed, such remuneration or income as is derived therefrom may be taxed in that other territory.

2. Notwithstanding the provisions of paragraph 1, remuneration or income derived by a resident of a territory for personal (including professional) services performed in the other territory shall be exempt from tax of that other territory if

(a) the recipient is present in the other territory for a period or periods not exceeding in the aggregate 183 days in the calendar year concerned; and

(b) the remuneration or income is paid by or on behalf of, a person who is a resident of the first-mentioned territory; and

(c) the remuneration or income is not borne by a permanent establishment which that person has in the other territory.

3. A resident of a territory shall be exempt from tax in the other territory on remuneration for services performed on ships or aircraft in international traffic.

ARTICLE 13 - DIRECTORS' FEES

1. Directors' fees and similar payments derived by a resident of a territory in his capacity as a member of the board of directors of a company which is a resident of the other territory may be taxed in that other territory.

2. The remuneration which a person to whom paragraph 1 applies derives from the company in respect of the discharge of day-to-day functions of a managerial or technical nature may be taxed in accordance with the provisions of Article 12.

ARTICLE 14 - ARTISTES AND ATHLETES

1. Notwithstanding the provisions of Article 12, income derived by entertainers, such as theatre, motion picture, radio or television artistes, and musicians, and by athletes, from their personal activities as such may be taxed in the territory in which these activities are exercised.

2. Where income in respect of personal activities exercised by an entertainer or an athlete in his capacity as such accrues not to the entertainer or athlete himself but to another person, that income may, notwithstanding the provisions of Articles 7 and 12, be taxed in the territory in which the activities of the entertainer or athlete are exercised.

3. The provisions of paragraph 1 shall not apply to remuneration or profits, salaries, wages and similar income derived from activities exercised in a territory by public entertainers if the visit to that territory is substantially supported by public funds as recognised by the competent authorities of both territories.

4. Notwithstanding the provisions of Article 7, where the activities mentioned in paragraph 1 are provided in a territory by an enterprise of the other territory the profits derived from providing these activities by such an enterprise may be taxed in the first-mentioned territory unless the enterprise is substantially supported from the public funds as recognised by the competent authorities of both territories in connection with the provisions of such activities.

ARTICLE 15 - TEACHERS

1. An individual who is a resident of a territory immediately before making a visit to the other territory, and who, at the invitation of any university, college, school or other similar educational institution, which is recognised by the competent authority in that other territory, visits that other territory for a period not exceeding two years solely for the purpose of teaching or research or both at such educational institution shall be exempt from tax in that other territory on his remuneration for such teaching or research.

2. The provisions of paragraph 1 shall not apply where his visit, under one or more contracts with the educational institutions of the other territory, exceeds two years.

ARTICLE 16 - STUDENTS AND TRAINEES

1. An individual who immediately before visiting a territory is a resident of the other territory and is temporarily present in the first-mentioned territory for the primary purpose of -

(a) studying at a university, college or school in the first-mentioned territory, or

(b) securing training required to qualify him to practice a profession or a professional specialty,

shall be exempt from tax in that territory in respect of -

(i) remittances from the other territory for the purpose of his maintenance, study or training; and

(ii) any remuneration for personal services rendered in the first-mentioned territory with a view to supplementing the resources available to him for such purposes in an amount not exceeding 5,000 Singapore dollars or 90,000 NT dollars in any calendar year.

2. An individual who immediately before visiting a territory is a resident of the other territory and is temporarily present in the first-mentioned territory for the primary purpose of study, research or training solely as a recipient of a grant, allowance or award from the Government or a scientific, educational, religious or charitable organisation of one of the territories, shall be exempt from tax in the first-mentioned territory in respect of -

(a) remittances from the other territory for the purposes of his maintenance, study, research or training; and

(b) the amount of such grant, allowance or award; and

(c) any remuneration for personal services rendered in the first-mentioned territory provided such services are in connection with his study, research or training or incidental thereto in an amount not exceeding 5,000 Singapore dollars or 90,000 NT dollars in any calendar year.

3. An individual, who immediately before visiting a territory is a resident of the other territory and is temporarily present in the first-mentioned territory for a period not exceeding twelve months solely as an employee of, or under contract with, the Government or an enterprise of the second-mentioned territory for the purpose of acquiring technical, professional or business experience, shall be exempt from tax in the first-mentioned territory on -

(a) all remittances from the second-mentioned territory for the purposes of his maintenance, education or training; and

(b) any remuneration for personal services rendered in the first-mentioned territory, provided such services are in connection with his studies or training or are incidental thereto, in an amount not exceeding 15,000 Singapore dollars or 270,000 NT dollars.

ARTICLE 17 - LIMITATION OF RELIEF

Where this Agreement provides (with or without other conditions) that income from sources in a territory shall be exempt from tax, or taxed at a reduced rate in that territory and under the laws in force in the other territory, the said income is subject to tax by reference to the amount thereof which is remitted to or received in that other territory and not by reference to the full amount thereof, then the exemption or reduction of tax to be allowed under this Agreement in the first-mentioned territory shall apply to so much of the income as is remitted to or received in that other territory.

ARTICLE 18 - ELIMINATION OF DOUBLE TAXATION

1. Subject to the tax laws in either territory regarding the allowance as a credit against tax payable in that territory of tax payable outside that territory, tax payable in a territory in respect of income derived from that territory shall be allowed as a credit against tax payable in the other territory in respect of that income. Where such income is a dividend paid by a company which is a resident of a territory to a company which is a resident of the other territory and which owns not less than 25 per cent of the share capital of the company paying the dividend, the credit shall take into account tax payable by the first-mentioned company in respect of its income. The credit shall not, however, exceed that part of the tax payable in that other territory as computed before the credit is given, which is appropriate to such item of income.

2. The term "tax payable in a territory" shall be deemed to include the amount of tax which would have been paid if the tax had not been exempted or reduced in accordance with laws designed to promote economic development in that territory, effective on the date of the Exchange of Letters, or which may be introduced in future in the taxation laws in that territory in modification of, or in addition to, the existing laws.

ARTICLE 19 - NON-DISCRIMINATION

1. The nationals of a territory shall not be subjected in the other territory to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which nationals of that other territory in the same circumstances are or may be subjected. This provision shall not be construed as obliging the competent authority of a territory to grant to nationals of the other territory not resident in the first-mentioned territory those personal allowances, reliefs and reductions for tax purposes which are by law available only to nationals of the first-mentioned territory or to such other persons as may be specified therein who are not resident in that territory.

2. The term "nationals" means all individuals possessing the nationality of either territory and all legal persons, partnerships, associations and other entities deriving their status as such from the laws in force in that territory.

3. The taxation on a permanent establishment which an enterprise of a territory has in the other territory shall not be less favourably levied in that other territory than the taxation levied on enterprises of that other territory carrying on the same activities.

4. The provisions of this Article shall not be construed as obliging the competent authority of a territory to grant to residents of the other territory any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which are granted to the residents of the first-mentioned territory.

5. Enterprises of a territory, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other territory, shall not be subjected in the first-mentioned territory to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of that first-mentioned territory are or may be subjected.

6. In this Article the term "taxation" means taxes which are the subject of this Agreement.

ARTICLE 20 - MUTUAL AGREEMENT PROCEDURE

1. Where a resident of a territory considers that the actions of one or both of the competent authorities result or will result for him in taxation not in accordance with this Agreement, he may, notwithstanding the remedies provided by the national laws of those territories, present his case to the competent authority of the territory of which he is a resident. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of this Agreement.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other territory, with a view to the avoidance of taxation not in accordance with the Agreement.

3. The competent authorities of the territories shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of this Agreement. They may also consult together for the elimination of double taxation in cases not provided for in this Agreement.

4. The competent authorities of the territories may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

ARTICLE 21 - EXCHANGE OF INFORMATION

1. The competent authorities of the territories shall exchange such information as is necessary for carrying out the provisions of this Agreement and of the domestic laws of the territories concerning taxes covered by this Agreement insofar as the taxation thereunder is in accordance with this Agreement. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons or authorities other than those concerned with the assessment or collection of the taxes which are the subject of this Agreement.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on one of the competent authorities the obligation:

(a) to carry out administrative measures at variance with the laws or the administrative practice of that or of the other territory;

(b) to supply particulars which are not obtainable under the laws or in the normal course of the administration of that or of the other territory;

(c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy.

ARTICLE 22 - ENTRY INTO FORCE

1. This Agreement shall be approved by the competent authorities in accordance with their respective legal procedures, and shall enter into force on the date of the Exchange of Letters.

2. The Agreement shall be effective for income accrued or derived on or after the date as indicated in the Exchange of Letters.

ARTICLE 23 - TERMINATION

This Agreement shall remain in force indefinitely but either of the competent authorities may terminate the Agreement by giving to the other competent authority written notice of termination on or before the 30th day of June in any calendar year not earlier than the year 1986. In such event, the Agreement shall cease to be effective for income accrued or derived on or after 1st January of the calendar year following the year in which the notice of termination is given.

Initialled at Taipei this 30th day of December, 1981.

HSU TSE-KWANG	HSUEH CHIA-CHUEN
Commissioner of *Inland Revenue* *Republic of Singapore*	*Director-General* *Department of Taxation* *Republic of China*

EXCHANGE OF LETTERS (1981)

30th December, 1981

Mr. Hsueh Chia-Chuen
Director-General,
Department of Taxation,
Ministry of Finance,
Republic of China.

Dear Mr. Hsueh,

Pursuant to the discussions on the Agreement for the Avoidance of Double Taxation which will apply to our two countries, I would like to confirm the following which have references therein:-

(a) Article 2.

The tax referred to in paragraph 2 which applies to Singapore is income tax.

(b) Article 3.

(i) Paragraph 1 (a) - The terms "a territory" and "the other territory" mean Republic of Singapore or Republic of China, as the context requires.

(ii) Paragraph 1 (e) - The "competent authority" in the Singapore context is the Commissioner of Inland Revenue, Ministry of Finance.

(c) Article 8.

"However, the tax so charged shall not exceed 2% of the gross revenues derived from sources in that other territory" referred to in paragraph 2 of Article 8 means that the total amount of income tax, business tax and any taxes that may be raised in future that are in the nature of income tax or business tax shall not exceed 2% of the gross revenues derived from sources in that other territory.

(d) Article 10.

With reference to the dividends tax under paragraph 2 of Article 10 the following illustrate how the tax is arrived at:-

Case I:

	Profits distributed 100%	50%
Profits of a company ……	$100	$100
Less: Corporate income tax at 35% …….	35	35
Balance ……	$ 65	$ 65
Dividends declared ……..	$ 65	$32.5
Maximum dividend tax ……..	$ 5	$ 2.5

Case II:

	Profits distributed 100%	50%
Profits of a company ……	$100	$100
Less: Corporate income tax at reduced rate (25%)……$25		
Tax deemed paid* ……..10	35	35
Balance ……	$ 65	$ 65
Add: Tax deemed paid* ……..	10	10
Balance ……	$ 75	$ 75
Dividends declared ……..	$ 75	$ 37.5
Maximum dividend tax …….	$ 5	$ 2.5

* Tax would have been paid but for the reduction of tax rate under the laws designed to promote economic development.

In other words, the total tax burden of corporate in-come tax and dividends tax shall not exceed 40% of the income or profits of the company out of which the dividends are declared. This principle would similarly apply where only part of the income or profits of the company is declared as dividends.

(e) Article 22.

The Agreement shall be effective in Singapore for income accrued or derived on or after 1st January, 1982.

(f) Article 23.

In the event of notice of termination being given in any calendar year, the Agreement shall cease to be effective in Singapore for income accrued or derived on or after 1st January of the calendar year following the year in which the notice of termination is given.

2. I am pleased to confirm my acceptance of the Agreement for the Avoidance of Double Taxation, which forms the Annex to this Exchange of Letters and which has been initialled by you and me, to be applicable to Singapore.

3. I shall be pleased to receive similar confirmation from you.

Yours sincerely,

HSU TSE-KWANG,
Commissioner of Inland Revenue,
Ministry of Finance,
Republic of Singapore.

30th December, 1981

Mr. Hsu Tse-Kwang,
Commissioner of Inland Revenue,
Ministry of Finance,
Republic of Singapore.

Dear Mr. Hsu,

I acknowledge the receipt of your letter of December 30, 1981 and would like to confirm the following which have references in the Agreement for the Avoidance of Double Taxation between our two countries:-

(a) Article 2.

The tax referred to in paragraph 2 which applies to Republic of China is income tax.

(b) Article 3.

(i) Paragraph 1 (a) - The terms "a territory" and "the other territory" mean Republic of Singapore or Republic of China, as the context requires.

(ii) Paragraph 1 (e) - The "competent authority" in the context of Republic of China is the Director-General, Department of Taxation, Ministry of Finance.

(c) Article 8.

"However, the tax so charged shall not exceed 2% of the gross revenues derived from sources in that other territory" referred to in paragraph 2 of Article 8 means that the total amount of income tax, business tax and any taxes that may be raised in future that are in the nature of income tax or business tax shall not exceed 2% of the gross revenues derived from sources in that other territory.

(d) Article 10.

With reference to the dividends tax under paragraph 2 of Article 10 the following illustrate how the tax is arrived at:-

Case I:

	Profits distributed 100%	50%
Profits of a company ……	$100	$100
Less: Corporate income tax at 35% …….	35	35
Balance ……	$ 65	$ 65
Dividends declared ……..	$ 65	$32.5
Maximum dividend tax ……..	$ 5	$ 2.5

Case II:

	Profits distributed 100%	50%
Profits of a company ……	$100	$100
Less: Corporate income tax at reduced rate (25%)……$25		
Tax deemed paid* ……..10	35	35
Balance ……	$ 65	$ 65
Add: Tax deemed paid* ……..	10	10
Balance ……	$ 75	$ 75
Dividends declared ……..	$ 75	$ 37.5
Maximum dividend tax …….	$ 5	$ 2.5

* Tax would have been paid but for the reduction of tax rate under the laws designed to promote economic development.

In other words, the total tax burden of corporate in-come tax and dividends tax shall not exceed 40% of the income or profits of the company out of which the dividends are declared. This principle would similarly apply where only part of the income or profits of the company is declared as dividends.

(e) Article 22.

The Agreement shall be effective in the Republic of China for income accrued or derived on or after 1st January 1982.

(f) Article 23.

In the event of notice of termination being given in any calendar year, the Agreement shall cease to be effective in the Republic of China for income accrued or derived on or after 1st January of the calendar year following the year in which the notice of termination is given.

2. I am pleased to confirm my acceptance of the Agreement for the Avoidance of Double Taxation, which forms the Annex to this Exchange of Letters and which has been initialled by you and me, to be applicable to the Republic of China.

Yours sincerely,

HSUEH CHIA-CHUEN,
Director-General,
Department of Taxation,
Ministry of Finance,
Republic of China.