



Individual

- No change in tax rates. A 50% income tax rebate for YA2019 has been introduced for all tax resident individuals, capped at \$200.
- The last year that an individual can register for Not Ordinarily Resident (NOR) relief will be YA2020. NOR relief allows qualifying individuals to time apportion their income and/or claim relief for employer contributions to non-mandatory overseas pension schemes. Therefore individuals who have

registered for NOR in YA2020 can continue to claim time apportionment relief up to and including YA2024. The withdrawal is designed to put domestic and overseas personnel on the same footing.

- With immediate effect, GST import relief (the value of personal goods that you can bring back from an overseas trip) for travellers has been tightened. For travellers who spend less than 48 hours outside Singapore, the limit has been reduced from \$150 to \$100. For travellers who spend 48 hours or more outside Singapore, the limit has been reduced from \$600 to \$500.
- From 1 April 2019, the alcohol-free concession for travellers will be tightened from three litres to two litres with a maximum one litre of spirits.
- GST vouchers of up to \$300 will be given out to 1.4million Singaporeans on a means tested basis.
- 250% deduction for qualified charitable donations will be extended. A Bicentennial Community Fund has been set up to provide a dollar-for-dollar matching for donations made in FY2019.
- With effect from 18 February 2019, the excise duty on diesel fuel will be increased to \$0.20 per litre.

In the bicentennial year this was a giveaway budget, sharing the 2018 surplus, with no significant tax changes.



Business - General

- No change in tax rates announced in this budget.
- The corporate tax rebate remains at 20% of tax payable, capped at \$10k.
- Writing Down Allowances on Intellectual Property Rights extended to cover qualifying expenditure up to YA2025.
- The 100% Investment Allowance under the Automation Support Package has been extended to 31 March 2021, capped at \$10m per project.



Business - Sectors

REITs

- All current S-REITs concessions have been extended to 31 December 2025. Further details expected by May 2019.
 - For individuals, S-REITs distributions will continue to be tax exempt and the sunset clause has been removed.
- Extension to 31 December 2025 for GST recovery scheme on business expenditure of S-REITs.

Unit Trusts

- The Designated Unit Trust scheme will lapse after 31 March 2019. Transitional rules will apply.
- The Approved Unit Trust scheme will lapse after 18 February 2019. Transitional rules will apply.

Contact Us

Lorraine Parkin
Head of Tax
Grant Thornton Singapore Pte Ltd
T +65 8568 0158
E lorraine.parkin@sg.gt.com

Eng Min Lor
Partner - Direct Tax
Grant Thornton Singapore Pte Ltd
T +65 9656 2171
E engmin.lor@sg.gt.com

Adrian Sham
Director - Global Mobility Services
Grant Thornton Singapore Pte Ltd
T +65 9115 7696
E adrian.sham@sg.gt.com

Qualifying funds

- Qualifying funds continue to enjoy tax exemption, up to 31 December 2025, on Specified Income (SI) from Designated Investments (DI) and withholding tax exemption on interest paid to non-residents.
- It is now possible for a fund to be 100% owned by Singapore persons from YA2020.
- The Enhanced-Tier Fund scheme has been expanded from 19 February 2019.
- The lists of SI and DI have been widened from 19 February 2019.
- 10% concessionary tax rate has been extended to qualifying non-resident non-individual investing in S-REITs and REITs Exchange Traded Funds during the period 1 July 2019 to 31 December 2025.
- Extension to 31 December 2024 of concession to claim GST incurred on expenses at a fixed recovery rate.

Other funds

- Extension to 31 December 2025 for GST recovery on business expenditure of Singapore listed Registered Business Trusts in the infrastructure, ship leasing and aircraft leasing sectors.

