BSL TAX SERVICES PTE LTD

# 2024 SINGAPORE BUDGET HIGHLIGHTS

## BUILDING OUR SHARED FUTURE TOGETHER


**BSL** TAX SERVICES PTE LTD (COMPANY REG NO. 200510865C)

220 Orchard Road
#05-02 Midpoint Orchard
Singapore 238852

Tel: +65 6235 3388
Fax: +65 6235 3168

Email: tax@bsl.sg
URL: http://www.bsl.sg


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# CORPORATE TAX

1. No change to corporate tax rate which remains at 17%. A Corporate Income Tax (CIT) rebate at 50% of tax payable with a CIT Rebate Cash Grant at $2,000, together capped at $40,000 was introduced for YA 2024.
2. Enhance the deduction for Renovation or Refurbishment (R&R) expenditure to include designer or professional fees, fix the three year claim period and allow option to claim in one year.
3. Introduce the Refundable Investment Credit (RIC) that will support up to 50% of qualifying expenditure, the RIC credits will offset against CIT payable, and any unutilized RIC credits will be refunded to taxpayer.
4. Implement under the Global Anti-Base Erosion (GloBE) rules, the Income Inclusion Rule (IIR) and the Domestic Top-up Tax (DTT) rules, which will impose a minimum effective tax rate of 15% for businesses with financial year starting from 1 Jan 2025.
5. Extend and revise the tax incentive schemes for funds managed by Singapore-based fund managers under sections 13D, 13O and 13U with the inclusion of Limited Partnerships in section 13O and revising the economic criteria for all qualifying funds.
6. Introduce an alternative basis of tax for MSI-Shipping Enterprise and MSI-Approved International Shipping Enterprise by reference to net tonnage.
7. Introduce an additional 10% concessionary tax rate for Finance and Treasury Centre and Aircraft Leasing incentives.
8. Introduce an additional 15% concessionary tax rate for Development and Expansion Incentive, Intellectual Property Development Incentive and Global Trader Programme.
9. Revise Additional Buyer's Stamp Duty remission claw back rates for housing developers.
10. Introduce an Overseas Humanitarian Assistance Tax Deduction Scheme that allows a 100% deduction towards overseas emergency humanitarian assistance causes from 1 Jan 2025 to 31 Dec 2028.
11. Withdraw income tax concession on royalty income accorded to authors, composers and choreographers with effect from YA 2027 in phases.

# GOODS AND SERVICES TAX

1. No change to GST which is at the current rate of 9% from 1 Jan 2024.

# PERSONAL TAX

1. Grant a Personal Income Tax Rebate of 50% of the tax payable capped at $200 per resident taxpayer for YA 2024.

2. Raise dependant's or caregiver's income threshold for dependant related reliefs from $4,000 to $8,000.
3. Revise Annual Value bands for owner-occupied residential property tax rates.
4. Extend GIRO scheme for residential property (retirees) from 12 months to 24 months.
5. Introduce a new Additional Buyer's Stamp Duty concession for single Singapore Citizen seniors who replace their private residential property within 6 months.
6. Lapse course fee relief from YA 2026.
7. Remove CPF cash top-up relief for cash top-ups that attract matching grant from the Government under the Matched Retirement Savings Scheme.

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## Writer's Caveat

These articles have merely attempted to provide a broad overview on the subject matters. They are not in any way intended to be comprehensive and no specific action should be taken on the basis of the above without consulting your professional advisors.