



Singapore Fund Manager - Tax Benefits



Overview of Singapore's Fund Management Incentives

Income tax exemption

Exemption on interest, dividend, gains from disposals

Recovery of GST

Substantial GST recovery (approx. 88% - 2020)



TAX

FSI-FM tax incentive scheme

10% concessionary tax rate for Singapore fund manager

WHT exemption

WHT exemption on interest and interest related payments made to non-residents with no Singapore PE

Key:

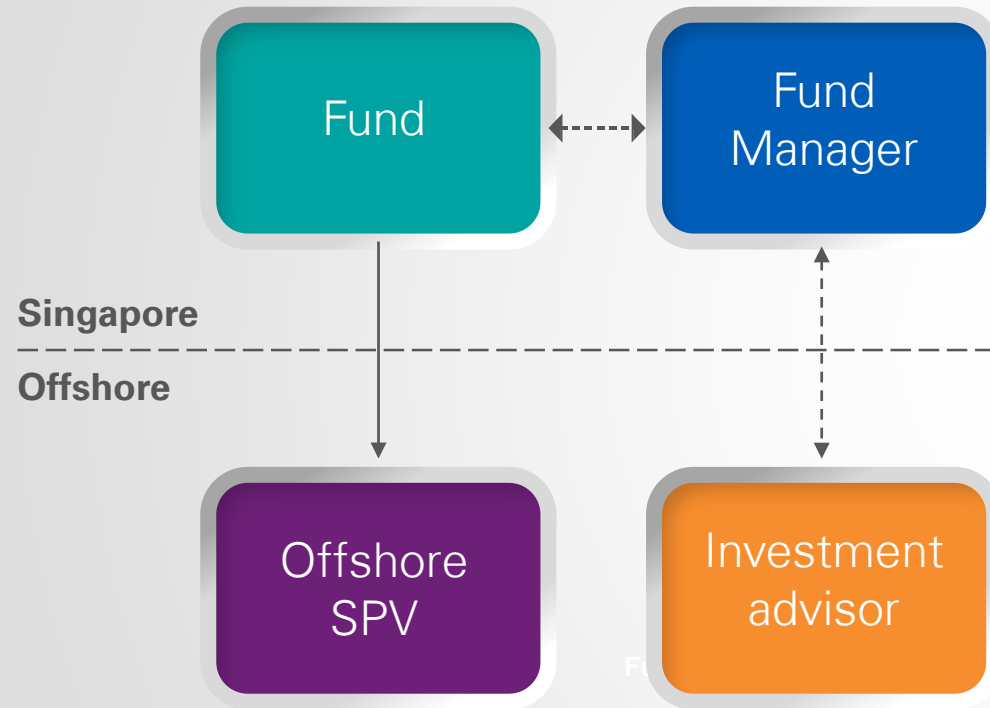
GST = Goods and Services Tax

FSI-FM = Financial Sector Incentive-Fund Management

WHT = Withholding Tax

PE = Permanent Establishment

Singapore Fund Manager - Tax benefits



- Fund Managers are eligible for a **10% concessional tax rate** under the FSI-FM scheme (Fund Managers of Section 13X / 13R funds)
 - minimum 3 investment professionals with projected headcounts growth (portfolio manager, research analyst and traders earning a min. of SGD3,500 per month); and
 - a min. Assets Under Management (AUM) of SGD250m.
- A lower **5% concessional tax rate** under the Fund Management Incentive (FMI) scheme for fund managers of Section 13H funds
 - a min. AUM of Section 13H fund managed to be SGD40m; and
 - hires at least one additional investment professional (portfolio manager, research analyst and traders earning a min. of SGD3,500 per month) by the end of the FMI award.

Singapore Fund Incentive Schemes

S13R

Singapore Resident Fund Scheme

- Singapore resident company or VCC (Variable Capital Company)
- No min. fund size
- Min. annual business expenditure
- Singapore investor restrictions
- Exemption on interest, dividend, gains from disposals derived from qualifying investments
- Substantial GST recovery (approx. 88% - 2020)
- WHT exemption on interest and interest related payments made to non-residents with no Singapore PE

S13X

Enhanced-Tier Fund Tax Incentive Scheme

- Any fund vehicle
- Can be set up as a master-feeder/master-feeder-SPV/master-SPV structure
- SGD50m min. fund size
- Min. annual business expenditure to be met
- Exemption on interest, dividend, gains from disposals derived from qualifying investments
- Substantial GST recovery (approx. 88% - 2020)
- WHT exemption on interest and interest related payments made to non-residents with no Singapore PE

S13H

Singapore Venture Capital Fund Scheme

- Company, Limited Partnership or VCC
- SGD10m min. fund size
- No min. annual business expenditure requirement but requirement to be met by the end of the tenure
- Investment restriction – 30% investment in Singapore companies
- Exemption on interest, dividend, gains from disposals derived from qualifying investments
- GST recovery (approx. 52% - till 30 June 2021)

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