

Personal Tax 2016

At a Glance

Tax resident or non-resident?

You will be treated as a tax resident for a particular Year of Assessment (YA) if you are a:

- Singaporean who normally resides in Singapore except for temporary absences; or
- Singapore Permanent Resident (SPR) who has established your permanent home in Singapore; or
- Foreigner who has stayed / worked in Singapore (excludes director of a company) for 183 days or more in the year before the YA.

Otherwise, you will be treated as a non-resident of Singapore for tax purposes.

The number of days in Singapore includes weekends and public holidays. Any absences from Singapore that are temporary (e.g. overseas vacation leave) or incidental to your Singapore employment (e.g. business trips) are still regarded as employment exercised in Singapore for the purpose of determining your tax residency.

As a resident:

- You will be taxed on all income earned in Singapore and any foreign-sourced income (with the exception of certain foreign-sourced income and qualifying conditions) that was brought into Singapore prior to 01 Jan 2004.
- Your income, after deduction of tax reliefs, will be taxed at progressive resident rates.
- Your foreign-sourced income (with the exception of those received through partnerships in Singapore) brought into Singapore on or after 01 Jan 2004 is tax exempt.
- You are required to fill in Income Tax Return for Residents Form.

Tax Rates for Resident Individuals

Under Singapore's tax residency rules, you will be regarded as a tax resident for the calendar year(s) concerned if you stay or work in Singapore:

- for at least 183 days in a calendar year; or
- for at least 183 days for a continuous period over two years (applies to foreign employees only who have entered Singapore from 01 Jan 2007 but excludes directors of a company, public entertainers or professionals); or
- for at least 183 days continuously for three consecutive years. (applies to foreign employee only)

As a tax resident you will be taxed at progressive resident rates. (see page 5)

What is Chargeable and what is not Chargeable?

Taxable	Not Taxable
<ul style="list-style-type: none"> • Bonus • Director's Fees • Commission • Allowances • Benefits-in-kind • Salary in-lieu of notice/notice pay • Tax paid by employer • Contributions made by employer to Pension / Provident Fund constituted outside Singapore • Employee Share Option (ESOP) • Other Forms of Employee Share Ownership (ESOW) • Retirement benefits • Your overseas employment is incidental to your Singapore employment. That is, as part of your work here, you have to travel overseas • Rent from property • Annuities received from following sources <ul style="list-style-type: none"> - Partnership - Supplementary Retirement Scheme (SRS) - Annuity policy bought by your employer, in place of a pension or other employment benefits which are payable to you during employment or upon retirement • Estate/trust income • Royalty <ul style="list-style-type: none"> - Copyrights - Patents - Trademarks and etc. • Tax on SRS withdrawal 	<ul style="list-style-type: none"> • Payments for restrictive covenants • Retrenchment benefits • Income received from overseas • CPF/designated funds • If you participate in existing approved pension and provident funds, the retirement benefits accrued from such funds up to 31 Dec 1992 will remain tax-exempt. The tax- exemption will apply when they are paid out on the date of retirement based on the statutory retirement age • Government pensions • Dividends • Interest • Annuities received in Singapore • Alimony and maintenance payments received from your spouse • Maintenance payments received by a child or parent • National Service Recognition Award • Winnings (Toto, 4D...)

Tax Rates for Non-Resident Individuals

Employment income

Your employment income is taxed at 15% or resident rate, whichever gives rise to a higher tax amount.

Director's fees, consultation fees & all other income

The director's fees, consultation fees and all other income that you received will be taxed at 20%, increasing to 22% from YA 2017.

Resident Status	Tax Implications
If you are employed for 60 days or less in a year	<ul style="list-style-type: none">Your short-term employment income is exempt from tax.This rule does not apply if you are a director of a company, a public entertainer or a professional in Singapore.Tax exemption does not apply if your absences from Singapore are incidental to your Singapore employment. In this case, your total income (including income for services rendered outside Singapore) is taxable in full in Singapore.
Non resident if you are in Singapore for 61 to 182 days in a year	<ul style="list-style-type: none">Your employment income is taxed at 15% or progressive resident rates, whichever results in a higher tax amount.Director's fees and other income are taxed at the prevailing rate of 20%. (increasing to 22% starting from YA 2017)You are not entitled to tax reliefs.

Not Ordinarily Resident (NOR) Scheme

The NOR scheme is available for qualifying individuals for a period of five consecutive years. A NOR taxpayer will enjoy the benefit of time apportionment of employment income in which he pays income tax on only that part of his employment income that corresponds with the number of days he spends in Singapore. In addition, the NOR taxpayer gets to enjoy tax exemption on contributions made by the employer to an overseas pension fund which would otherwise be taxable in his hands.

Foreign Public Entertainers

Public entertainers include:

- Stage, radio or television artistes (e.g. singers, dancers, actors) and musician.
- Athletes (all sportsmen in any sporting events or tournaments e.g. golfers, tennis players, horse jockeys, racing drivers, runners).
- A public entertainer performing in Singapore can be exercising a profession, vocation or employment.

Note: Those who work behind the scenes such as crew, choreographers, directors in the entertainment scene or horse trainers, coaches, personal trainers for sporting events will not be treated as entertainers.

Do you have to pay tax?

- You are subject to a withholding tax of 15% on your gross income from services performed in Singapore. The withholding tax rate will be reduced from 15% to 10% if the income for your services performed in Singapore is due and payable to you during the period from 22 Feb 2010 to 31 Mar 2020.
- No tax bill (i.e. Notice of Assessment) will be issued to you as the payer has accounted for the withholding tax.
- Tax exemption for short-term employment of 60 days or less in a calendar year does not apply to you.

The payer must:

- Withhold tax at 15% of gross income [or 10% if the income is due and payable to you during the period from 22 Feb 2010 to 31 Mar 2020] from services performed in Singapore;
- File Form IR37D and;
- Pay the withholding tax by the 15th of the second month from the date of payment to you.

	Implications	
Taxable and subject to withholding tax	For artistes <ul style="list-style-type: none"> • Artiste Fees • Allowances e.g. per diem • Benefits-in-kind 	For sportsmen <ul style="list-style-type: none"> • Match fees • Prize money • Tournament winnings • Win bonuses • Allowances e.g. per diem • Benefits-in-kind • Non-cash gifts/prizes exceeding \$100
Non-taxable (withholding tax does not apply)	As a concession, the following benefits provided by the payer are not taxable: <ul style="list-style-type: none"> • Accommodation (excluding value of food) provided for a short-term engagement of 60 days or less in any calendar year <ul style="list-style-type: none"> - Example: Where accommodation is provided for say, 70 days in the calendar year, the cost of the entire stay is taxable • Cost of airfare 	
Deductible expenses	<ul style="list-style-type: none"> • Only expenses which are wholly and exclusively incurred by the entertainer in the production of the Singapore-sourced income, and which are not reimbursed by the payer, are tax deductible As a concession, the following costs incurred by the entertainer are deductible: <ul style="list-style-type: none"> • Accommodation (excluding value of food) for a short-term engagement of 60 days or less in any calendar year • Cost of airfare 	
Non Deductible Expenses	<ul style="list-style-type: none"> • Private expenses (e.g. value of food and ground transfers from and to airport) • Expenses incurred to put the entertainer in a position to earn the income (e.g. transport expenses incurred from hotel to venue of service and back) 	
Claim Tax Refund	To claim for tax refund, you must: <ul style="list-style-type: none"> • be physically present in Singapore for at least 183 days in the calendar year concerned • complete Application for Resident Status for Public Entertainers form 	
Tax Exemption	<ul style="list-style-type: none"> • Your income is exempt from tax in Singapore if your visit is substantially funded (i.e. > 50%) by the government of your home country • The payer does not need to withhold tax or submit Form IR37D • The supporting information needs to be provided to IRAS 	

Personal Tax Rates from YA 2012 to YA 2016

Chargeable Income	Rate (%)	Gross Tax Payable (\$)
On the first 20,000 On the next 10,000	0 2	0 200
On the first 30,000 On the next 10,000	- 3.50	200 350
On the first 40,000 On the next 40,000	- 7	550 2,800
On the first 80,000 On the next 40,000	- 11.5	3,350 4,600
On the first 120,000 On the next 40,000	- 15	7,950 6,000
On the first 160,000 On the next 40,000	- 17	13,950 6,800
On the first 200,000 On the next 120,000	- 18	20,750 21,600
On the first 320,000 Above 320,000	- 20	42,350

Personal Tax Rates from YA 2017

Chargeable Income	Rate (%)	Gross Tax Payable (\$)
On the first 20,000 On the next 10,000	0 2	0 200
On the first 30,000 On the next 10,000	- 3.50	200 350
On the first 40,000 On the next 40,000	- 7	550 2,800
On the first 80,000 On the next 40,000	- 11.5	3,350 4,600
On the first 120,000 On the next 40,000	- 15	7,950 6,000
On the first 160,000 On the next 40,000	- 18	13,950 7,200
On the first 200,000 On the next 40,000	- 19	21,150 7,600
On the first 240,000 On the next 40,000	- 19.5	28,750 7,800
On the first 280,000 On the next 40,000	- 20	36,550 8,000
On the first 320,000 In excess of 320,000	- 22	44,550

Our Team



Peter Milnes
Managing Director

Rawlinson & Hunter's Singapore office is headed by our resident Director Peter Milnes. He has over 10 years of international experience focused in Asia and the Middle East. Peter has extensive experience in statutory accounting in Singapore, Thailand, Indonesia, UK, US, and France, as well as in depth knowledge of trust accounting and structuring in various jurisdictions.

Familiar with management reporting in both large MNC's and smaller organisations, Peter has a unique skill base and understanding of the accounting and structuring requirements of large organisations and boutique enterprises & family offices.

Peter is a Fellow Management Accountant (FCMA/CGMA) and a Chartered Accountant of Singapore, with degrees in Economics and Economic History, and has wide-ranging experience working for family offices and major financial institutions.



Herdin Syafari
Tax Director

Herdin has more than 16 years' experience in Indonesian and International tax consultancy having previously worked for one of the "Big 4" accounting firms for 11 years. Serving multinational clients from various industries, Herdin also has 5 years of experience working as Head of International Tax Department in Indonesia's largest public energy company.

In addition, Herdin is a certified Indonesian Customs and Trade consultant, with a Customs Certification from the Indonesian Ministry of Finance. He has been involved in various customs projects from master list facility application, due diligence, audits and appeals assistance in the tax and customs courts.

Herdin has a Masters Degree in Business Administration (MBA) from the University of Bath, United Kingdom. He is a Certified Indonesian Tax Consultant, Certified Indonesian Customs Expert and holds a License of Tax Power of Attorney for Tax and Customs Appeal in the Indonesian Tax Courts.

About Rawlinson & Hunter International

Rawlinson & Hunter is an international grouping of professional firms, specialising in financial and taxation advice. Our skill lies in maximising the rewards that prosperity can bring. For the private client, we can take the strain, safeguarding their assets, leaving them to enjoy the benefits, not suffer the burdens, of wealth.

The international structure of Rawlinson & Hunter is unique, both in the way that it operates and in the extensive scope of the financial services that it provides. Our structure gives the client the best of both worlds - an organisation that encourages a close working relationship between client and partner and one that gives immediate access to eleven international offices.

This special relationship stems from the partners in the various offices having worked very closely together over a considerable number of years and from each believing that their clients must be given the best possible service. This enables transactions involving more than one Rawlinson & Hunter office to be effected more quickly, efficiently and professionally than by many other, larger organisations.

Our unique structure allows clients access to the individual advantages and specialist services available in ten different international offices and every office can draw on the expertise and specialist resources available in the rest of the group. All our offices have excellent relationships with leading lawyers, bankers and investment managers in most of the world's major financial centres.



Internationally, our network of offices include: Australia, Bermuda, the British Virgin Islands, the Cayman Islands, Guernsey, Jersey, New Zealand, Switzerland (Zurich and Geneva), Singapore and the United Kingdom.

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