

TRUSTMOORE



SINGAPORE

For centuries, Singapore has been a hub between East and West owing to its strategic location in the heart of Southeast Asia. The highly efficient and open economy of Singapore attracts both corporate and individual investors.

SINGAPORE

Historically the port was the main source of growth, and it still ranks amongst the largest ports in the world. In addition, Singapore has become a well-established regional and global financial center.

As one of the world's most-open economies, Singapore is renowned for its political and economic stability. Its pro-business attitude is further enhanced by a robust and transparent legal system. Supported by a highly educated, multilingual and flexible workforce, Singapore is a leading destination for setting up a business in Asia.

Therefore, it is no surprise that for 10 consecutive years, the World Bank has ranked Singapore as the number 1 place in the world to do business.

TAXATION

Singapore applies a territorial tax regime, which means that a company is only tax liable on income accrued in or derived from Singapore and on foreign income actually received in Singapore. However, an exemption applies to certain foreign income received in Singapore, including dividends, branch profits and service income, if the following conditions are met:

- The foreign country from which the income is received should have a headline tax rate of at least 15%
- The income is taxed (not necessarily at 15%) in the foreign country

Singapore corporate income is taxable at a rate of 17% with a reduction on the first SGD 300,000 earned, which effectively means paying less than 9%. In addition, certain sectors or types of investments can qualify for further tax relief and incentives.

Besides favorable corporate tax rules, Singapore offers other benefits such as:

- No taxes on capital gains
- No withholding taxes on dividends
- No withholding taxes on management fees (as long as the management services are provided outside of Singapore)
- No thin-capitalization rules

Singapore has concluded double-taxation treaties with over 70 countries to further facilitate cross-border transactions. Because Singapore authorities comply with Organisation for Economic Co-operation and Development (OECD) guidelines with respect to the exchange of information for tax purposes, it is part of the OECD white list.



*“Building a business in multiple locations?
Trustmoore can help you achieve this,
keeping everything well organized”*

LEGAL ENTITIES

Singapore offers different types of entities, with the private limited company (Pte Ltd) being the most common.

This company can serve as a trading, manufacturing or investment-holding company. Incorporation is relatively quick and straightforward. Certain criteria must be met in order to qualify as a Singapore company:

- Registration with the Accounting and Corporate Regulatory Authority (ACRA);
- Registration of a local address;
- Appointment of at least one local individual director, though additional foreign directors may be appointed;
- Appointment of a resident individual corporate secretary.

There is no restriction regarding foreign ownership and there is no minimum paid-up capital required. Shareholders and directors appear on the ACRA extract, and annual accounts must be prepared and filed with ACRA. In principle, all companies should have their consolidated accounts audited. However, exceptions are available for smaller companies or companies forming part of a group.

CONTACT US TODAY



Robert Jan Dettmeijer

robertjan.dettmeijer@trustmoore.com



Krista van der Veen

krista.vanderveen@trustmoore.com

Trustmoore Singapore PTE. Ltd.

8B Craig Road

Singapore 089668

+65 6817 4800



For further information
on Trustmoore, please visit
www.trustmoore.com