

KEY FACTS

SINGLE FAMILY OFFICE SCHEMES

SINGAPORE HAS A NUMBER OF TAX INCENTIVE SCHEMES AVAILABLE, WHICH ARE DESIGNED TO ENCOURAGE ULTRA-HIGH-NET-WORTH FAMILIES TO SET UP SINGLE FAMILY OFFICES AND FAMILY-OWNED FUND VEHICLES IN SINGAPORE. THESE SCHEMES PROVIDE A FRAMEWORK AND CONDUCIVE TAX ENVIRONMENT FOR SINGAPORE-BASED FUND MANAGERS TO SET UP AND GROW.

TAXATION OF COMPANIES

Taxation of corporate income in Singapore is assessed on a territorial and remittance basis where income accrued in or derived from Singapore, and income derived overseas but received in Singapore is subject to tax.

The corporate income tax rate is a flat 17%.

TAXATION INCENTIVE SCHEMES¹

Sections 13O and 13U provide a tax exemption to the usual corporate income tax rate. The exemption applies to specified income generated by the approved fund from designated investments.

The exemption granted is for the lifetime of the fund, provided that the fund continues to meet the qualifying criteria. This therefore provides both tax efficiencies and certainty on tax treatment for the long term.

Section 13O: Onshore Fund Tax Incentive Scheme

- > Intended for funds managed onshore in Singapore, through a Singapore tax resident corporate vehicle
- > Application to the Monetary Authority of Singapore (MAS) and their subsequent approval is required

Section 13U: Enhanced Tier Tax Incentive Scheme

- > Both onshore and offshore funds may apply for 13U and it is available to a broad range of fund structures
- > Application to the MAS and their subsequent approval is required

HOW WE CAN ASSIST

Our team has significant experience in helping clients structure their family offices in Singapore.

We provide a wide range of corporate services, which include setting up the Singapore family office, incorporating asset holding companies, providing ongoing corporate secretarial support and resident director services, assisting with employment pass applications and fund administration services.

We are also an experienced professional trustee and can further assist clients in establishing an overlying family trust to own the family office and fund for asset protection and succession planning purposes.

Please contact our team at singapore@tridenttrust.com with any questions.

¹ These guidelines do not constitute tax advice and should be read in conjunction with the income tax legislation for S13O and S13U tax incentive schemes, the Income Tax Act 1947.

CRITERIA	SECTION 130 SINGAPORE VEHICLE	SECTION 13U SINGAPORE OR OFFSHORE VEHICLE
MINIMUM FUND SIZE ¹	S\$20 million at the point of application and maintained throughout the incentive period	S\$50 million at the point of application and maintained throughout the incentive period
BUSINESS SPEND PER ANNUM ²	<ul style="list-style-type: none"> > Based on AUM: <ul style="list-style-type: none"> > S\$200,000 with AUM of less than S\$50 million > S\$500,000 with AUM from S\$50 million to S\$100 million > S\$1 million with AUM above S\$100 million > A minimum of S\$200,000 required for local business spend (LBS) > For expenses above the S\$200,000 LBS threshold, spending requirement may also be met by eligible donations 	<ul style="list-style-type: none"> > Based on AUM: <ul style="list-style-type: none"> > S\$500,000 with AUM from S\$50 million to S\$100 million > S\$1 million with AUM above S\$100 million > A minimum of S\$200,000 required for local business spend (LBS) > For expenses above the S\$200,000 LBS threshold, spending requirement may also be met by eligible donations
INVESTMENT PROFESSIONALS (IPS)	<ul style="list-style-type: none"> > Minimum of two (2) IPs, with at least one being a non-family member³ at point of application > To qualify, an IP must be: <ul style="list-style-type: none"> > a portfolio manager, research analyst or trader > Singapore tax resident > earn more than S\$3,500 per month > have relevant experience/qualification > be engaged substantially in the role 	<ul style="list-style-type: none"> > Minimum of three (3) IPs, with at least one being a non-family member³ at point of application > To qualify, an IP must be: <ul style="list-style-type: none"> > a portfolio manager, research analyst or trader > Singapore tax resident > earn more than S\$3,500 per month > have relevant experience/qualification > be engaged substantially in the role
MINIMUM CAPITAL DEPLOYMENT REQUIREMENT (CDR) FOR LOCAL INVESTMENT	<ul style="list-style-type: none"> > Average month-end CDR must be greater than S\$10 million or 10% of AUM at the end of each financial year, whichever is lower > Multiplier effects (2x or 1.5x) for eligible investments 	

¹ Net asset value based on accounting conventions.

² According to accounting principles, expenses incurred should relate to the operating activities of the fund (as opposed to financing activities). Typical expenditures include, but are not limited to, remuneration, management fees, tax advisory fees and operating costs.

³ "Non-family members" refer to an individual who is not a family member of the beneficial owner(s). "Family members" may refer to individuals who are lineal descendants from a single ancestor, as well as the spouses, ex-spouses, adopted children and stepchildren of these individuals.

- ▶ PEOPLE LED
- ▶ TECH ENABLED
- ▶ GLOBAL COVERAGE
- ▶ TAILORED SERVICE

- ▶ 1,000 STAFF
- ▶ 25 JURISDICTIONS
- ▶ 38,000 ENTITIES
- ▶ \$140BN AUA

- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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