ANNEX A: SUMMARY TABLE ON PROPOSED CHANGES TO THE INCOME TAX ACT 1947 (“ITA”) AS ANNOUNCED IN THE 2025 BUDGET STATEMENT

S/N	Proposed Legislative Change	Brief Description of Proposed Legislative Changes	Proposed Amendment to ITA [Clause in Proposed Finance (Income Taxes) Bill 2025]
1	Provide 50% Corporate Income Tax (“CIT”) Rebate in Year of Assessment (“YA”) 2025 with a minimum benefit of $2,000 for eligible companies	To provide support for companies’ cash flow needs, a CIT Rebate of 50% of tax payable will be granted in YA 2025. Companies that are active and have employed at least one local employee in Calendar Year 2024 (referred to as the “local employee condition”) will receive a minimum benefit of $2,000 in the form of a CIT Rebate Cash Grant. The total maximum benefits (i.e., sum of CIT Rebate and CIT Rebate Cash Grant) that a company can receive is $40,000. A company is considered to have met the local employee condition if it has made CPF contributions to at least one local (i.e., Singapore Citizen or Permanent Resident) employee, excluding shareholders who are also directors of the company, in Calendar Year 2024.	Sections 36B(1), 92K and 107(28A) [Clauses 25, 40 and 45]
2	Provide Personal Income Tax (“PIT”) Rebate for YA 2025	As part of the SG60 package, a PIT Rebate of 60% of tax payable will be provided to all tax resident individuals for YA 2025. The rebate will be capped at $200 per taxpayer.	[Clause 48]
3	Extend the Double Tax Deduction for Internationalisation (“DTDi”) scheme	To continue supporting businesses in their internationalisation efforts, the DTDi scheme will be extended till 31 December 2030.	Sections 14B and 14H [Clauses 11 and 14]

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4	Extend the Mergers and Acquisitions (“M&A”) scheme	To continue supporting companies to grow through M&A, the scheme will be extended till 31 December 2030.	Section 37O [Clause 26]
5	Enhance section 13W of the ITA that provides upfront certainty of non-taxation of companies’ disposal gains	To provide greater tax certainty to companies, the sunset date under section 13W will be removed and the following enhancements will be made: a. Expand the scope of eligible gains to include gains from the disposal of preference shares that are accounted for as equity by the investee company under the applicable accounting principles; and b. Allow the assessment of the shareholding threshold condition to be done on a group basis. These changes will take effect for disposal gains derived on or after 1 January 2026.	Sections 13W, 36B(1), 107(17) and Third Schedule [Clauses 9, 25, 45 and 46]
6	Introduce a tax deduction on payments to the holding company or a special purpose vehicle (“SPV”) for issuance of new shares of the holding company under employee equity-based remuneration (“EEBR”) schemes	To ensure that our tax regime remains relevant and competitive, companies will be allowed to claim a tax deduction on payments to the holding company or a SPV for the issuance of new shares of the holding company under EEBR schemes. The deduction will be the lower of: a. The amount paid or payable by the company; and	Sections 14MA and 15(1) [Clauses 16 and 18]

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		b. The price of the shares in the open market, or net asset value of the shares (if it is not possible to determine the price), at the time the shares are applied for the benefit of the employee, less any amount payable by employees for the shares. The changes will take effect from YA 2026.	
7	Introduce a tax deduction for payments made under an approved cost-sharing agreement ("CSA") [1] for innovation activities	To support collaborative innovation activities, a 100% tax deduction for payments made by companies under an approved CSA for innovation activities will be introduced with effect from 19 February 2025.	Sections 14EB, 14X, 15(2), 15(2C), 19B, 37Q, 107(11) and Fourth Schedule [Clauses 12, 17, 18, 20, 27, 45 and 47]
8	Extend and enhance the Land Intensification Allowance ("LIA") scheme	To continue encouraging businesses to intensify their land use, the LIA scheme will be extended till 31 December 2030. The shareholding requirement for building users to be considered as related (which is a condition to qualify for the LIA scheme) will be lowered from "at least 75%" to "more than 50%". This change will apply to LIA applications made from 1 January 2026.	Section 18C [Clause 19]

[1] For the purposes of this tax deduction, CSAs are agreements or arrangements made by two or more persons to share the expenditure of innovation activities to be carried out under the agreements or arrangements.

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9	Introduce an additional concessionary tax rate ("CTR") tier of 15% for the Insurance Business Development ("IBD") scheme	To ensure that our tax incentives remain relevant and competitive, an additional CTR tier of 15% will be introduced with effect from 19 February 2025 for the IBD, IBD-Captive Insurance and IBD-Insurance Broking Business schemes.	Sections 43C and 43R [Clauses 31 and 36]
10	Introduce an additional CTR tier of 15% for the Financial Sector Incentive ("FSI") scheme	To ensure that our tax incentives remain relevant and competitive, an additional CTR tier of 15% will be introduced with effect from 19 February 2025 for the FSI-Standard Tier, FSI-Trustee Company and FSI-Headquarter Services schemes.	Section 43J(1)(b), (2AA) and (2B) [Clause 32]
11	Introduce tax incentives recommended by the Equities Market Review Group[2]	To encourage new listings in Singapore and increase investment demand for Singapore-listed equities, the following tax incentives will be introduced with effect from 19 February 2025: a. Listing CIT Rebate for new corporate listings in Singapore; b. Enhanced CTR of 5% for new fund manager listings in Singapore; and c. Tax exemption on fund managers' qualifying income arising from funds investing substantially in Singapore-listed equities.	Sections 43J(1), (2AA), (2C) and 43Y [Clauses 32 and 38]

[2] For more details on the first set of measures by the Equities Market Review Group, please refer to: https://www.mas.gov.sg/-/media/mas/news/media-releases/2025/annex-a---first-set-of-measures-by-the-review-group.pdf

S/N	Proposed Legislative Change	Brief Description of Proposed Legislative Changes	Proposed Amendment to ITA [Clause in Proposed Finance (Income Taxes) Bill 2025]
12	Extend and enhance the income tax concessions for Real Estate Investment Trusts listed on the Singapore Exchange (“S-REITs”)	To continue promoting the listing of REITs in Singapore and to sustain Singapore’s position as a global REIT hub, the existing tax concessions for S-REITs will be extended till 31 December 2030. The scope of specified income for the tax transparency treatment will be expanded to include all co-location and co-working income derived from 1 July 2025.	Sections 13(12A), (12B), (12C), (14), 43(2A), (3B), (3D), (10), 45G(2) and (5) [Clauses 4, 30 and 39]
13	Extend the income tax concessions for Real Estate Investment Trust Exchange-Traded Funds listed on the Singapore Exchange (“S-REIT ETFs”)	To support the continued growth of the S-REIT ETFs sector, the sunset date of 31 December 2025 for the tax transparency concession will be removed and the final withholding tax of 10% for S-REIT ETFs distributions received by qualifying non-tax-resident non-individuals and qualifying non-tax-resident funds will be extended till 31 December 2030.	Sections 43(2A), (3C), (3E), 45G(2) and (5) [Clauses 30 and 39]
14	Introduce an Approved Shipping Financing Arrangement (“ASFA”) Award (for Ships and Containers)	To support the ownership and management of ships and sea-containers from Singapore, the ASFA Award will be introduced to provide withholding tax exemption on interest and related payments made by approved entities to non-tax-resident lenders in respect of qualifying arrangements entered into on or before 31 December 2031 to finance the purchase or construction of ships and containers. The ASFA Award will be administered by MPA and be introduced with effect from 19 February 2025.	Section 13(5), (5A) and (5B) [Clause 4]
15	Extend and enhance the Maritime Sector Incentive (“MSI”)	To continue developing Singapore as an international maritime centre, the MSI will be extended till 31 December 2031.	Sections 2, 13A(1CH), (1CI), (16), 13E(1), (1AC),

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		To ensure that the MSI remains relevant, the qualifying scope will be updated. Key changes are as follows: a. Expand the scope of offshore renewable energy activities under the MSI-Shipping Enterprise (Singapore Registry of Ships) and MSI-Approved International Shipping Enterprise Award to cover the subsea distribution of renewable energy generated onshore; b. Expand the scope of ships used for offshore renewable energy activities under the MSI-Maritime Leasing (Ship) ("MSI-ML (Ship)") Award to include ships that support subsea distribution of renewable energy generated onshore; c. Allow assets leased-in from third parties under finance leases treated as sale agreements to be recognised as qualifying assets under the MSI-ML (Ship) and MSI-ML (Container) awards; and d. Expand the scope of shipping-related support services under the MSI-Shipping-related Support Services ("MSI-SSS") to include maritime technology services and introduce a new MSI-SSS (Approved Special Purpose Vehicle) status to allow the award of MSI-SSS on a group basis. These changes will take effect from 19 February 2025.	(2A), (4A), (6), (7), 13P, 43L, 43P, 43Q and 43U [Clauses 2, 5, 6, 7, 33, 34, 35 and 37]

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16	Exclude cash top-ups that attract matching grant from the Government under the Matched MediSave Scheme ("MMSS") from CPF Cash Top-Up Relief	As the MMSS matching grant announced in Budget 2025 is already a significant benefit extended by the Government, the part of the cash top-ups made from 1 January 2026 to the MediSave Account of an MMSS-eligible CPF member that attracts the MMSS matching grant will not entitle the giver to the CPF Cash Top-Up Relief. This ensures parity with the current tax treatment for the Matched Retirement Savings Scheme ("MRSS"), where cash top-ups to the Retirement Account or Special Account of an MRSS-eligible CPF member that attract the MRSS matching grant will not entitle the giver to the CPF Cash Top-Up Relief. The change will take effect from YA 2027.	Section 39(2), (3), (3A) and (3C) [Clause 29]