

FTX SGP

TAX RATES AND ALLOWANCES EXAMS IN THE YEAR 1 APRIL 2016 TO 31 MARCH 2017

The following tax rates and allowances are to be used in answering the questions

Earned income relief

Age:	Standard (max)	Handicapped (max)
Below 55	\$1,000	\$4,000
55 to 59	\$6,000	\$10,000
60 and above	\$8,000	\$12,000

Spouse relief	\$2,000	\$5,500
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Parents/Handicapped parents relief

	Standard (max)	Handicapped (max)
Parent not living in the same household	\$5,500	\$10,000
Parent living in the same household	\$9,000	\$14,000

Grandparent caregiver relief (GCR) \$3,000

Dependent handicapped siblings relief \$5,500

Foreign maid levy relief

The relief is two times the total foreign maid levy paid in 2014 up to a maximum of \$6,360.

NSman relief

	Key command and staff appointment holder	Non-key command and staff appointment holder
Active NSman	\$5,000	\$3,000
Non-active NSman	\$3,500	\$1,500
For each parent of operationally ready NSman	\$750	\$750
For wife or widow of operationally ready NSman	\$750	\$750

Provident fund

Compulsory contributions to the Central Provident Fund (CPF) / approved pension or provident fund by Singaporeans and Singapore permanent resident employees, subject to not more than the statutory contributions under the CPF Act.

CPF cash top-up relief

Actual cash top-ups by individuals or their employers to their account, capped at \$7,000; and actual cash top-ups by individuals to their family members' account, capped at \$7,000

Voluntary CPF contributions made by self-employed persons

37% of section 10(1)(a) assessable trade income capped at \$31,450 or actual contributions whichever is lower.

Life insurance premiums

Premiums paid on own life and wife's life insurance policies

If own CPF contribution is less than \$5,000, claim is the lower of:

- (a) the difference between \$5,000 and own CPF contribution; or
- (b) 7% of the capital sum or the amount of insurance premiums paid, whichever is lower.

No claim if an individual's own CPF contribution exceeds \$5,000.

Qualifying child relief (QCR)

Per child \$4,000

Relief is given for all qualifying children.

Handicapped child relief (HCR)

Per handicapped child \$7,500

Working mother's child relief (WMCR)

First child 15% of mother's earned income

Second child 20% of mother's earned income

Third child and each subsequent child 25% of mother's earned income

Maximum cumulative WMCR per child \$50,000

(total of WMCR + QCR/HCR)

Maximum total WMCR is capped at 100% of the mother's earned income

Course fees relief

Relief for course fees up to \$5,500 for eligible fees incurred on courses, seminars and conferences attended.

Parenthood tax rebate (PTR)

First child \$5,000

Second child \$10,000

Third child and each subsequent child \$20,000 per child

Personal income tax rates for resident individuals

	Chargeable \$	Tax rate %	Tax \$
On the first	20,000	0.0	0
On the next	<u>10,000</u>	2.0	<u>200</u>
On the first	30,000		200
On the next	<u>10,000</u>	3.5	<u>350</u>
On the first	40,000		550
On the next	<u>40,000</u>	7.0	<u>2,800</u>
On the first	80,000		3,350
On the next	<u>40,000</u>	11.5	<u>4,600</u>
On the first	120,000		7,950
On the next	<u>40,000</u>	15.0	<u>6,000</u>
On the first	160,000		13,950
On the next	<u>40,000</u>	17.0	<u>6,800</u>
On the first	200,000		20,750
On the next	<u>120,000</u>	18.0	<u>21,600</u>
On the first	320,000		42,350
Excess over	<u>320,000</u>	20.0	

Corporate income tax

Rate

Year of assessment 2016	17%
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Partial tax exemption

First \$10,000 of chargeable income	75% exemption
Next \$290,000 of chargeable income	50% exemption

Tax exemption for new start-up companies

First \$100,000 of chargeable income	100% exemption
Next \$200,000 of chargeable income	50% exemption

Tax rebate for companies for the years of assessment 2016 to 2017

Companies will be granted a 30% corporate income tax rebate capped at \$20,000 for each year of assessment.

Productivity and innovation credit (PIC) – years of assessment 2016 to 2018

Training (enhanced deduction)

Prescribed automation equipment (enhanced capital allowance)

An enhanced deduction/allowance can be claimed at 300% on up to \$400,000 of qualifying expenditure, in addition to the usual deduction/allowance.

The annual expenditure cap of \$400,000 can be pooled to give a combined cap of \$1,200,000 for the years of assessment 2016 to 2018.

Under the PIC+ scheme for qualifying small and medium enterprises, the expenditure cap is increased from \$400,000 to \$600,000 per qualifying activity per year of assessment.

Goods and services tax

Standard rate	7%
Registration threshold	\$1 million