

**FTX SGP**  
**TAX RATES AND ALLOWANCES**  
**EXAMS IN THE YEAR 1 APRIL 2017 TO 31 MARCH 2018**

The following tax rates and allowances should be used when answering the questions

**Selected reliefs / rebates for the year of assessment 2017**

**Earned income relief**

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

<b>Spouse relief</b>	\$2,000	\$5,500
----------------------	---------	---------

**Parents relief**

Parent not living in the same household	\$5,500	\$10,000
Parent living in the same household	\$9,000	\$14,000

<b>Grandparent caregiver relief (GCR)</b>	\$3,000
---	---------

<b>Dependent handicapped siblings relief</b>	\$5,500
--	---------

**Foreign maid levy relief**

The relief is **two times** the total foreign maid levy paid in 2016 up to a maximum of \$6,360.

**NSman relief**

	<b>Key command and staff appointment holder</b>	<b>Non-key command and staff appointment holder</b>
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 \$37,740 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.

**Child relief****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  
(total of WMCR + QCR/HCR)

\$50,000

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>	18.0	<u>7,200</u>
On the first	200,000		21,150
On the next	<u>40,000</u>	19.0	<u>7,600</u>
On the first	240,000		28,750
On the next	<u>40,000</u>	19.5	<u>7,800</u>
On the first	280,000		36,550
On the next	<u>40,000</u>	20.0	<u>8,000</u>
On the first	320,000		44,550
Excess over	<u>320,000</u>	22.0	

### Corporate income tax

#### Rate

Year of assessment 2017 17%

#### 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 and 2017

Companies will be granted a 50% 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

\$1million