

EXPLANATORY NOTES TO FORM IRIN 301 FOR YEAR OF ASSESSMENT 2018

Essential information to note before completing Form IRIN 301

- This Form is to be submitted together with Form C, except for dormant companies and companies servicing only related parties with “Cost-Plus Mark-Up” basis of assessment.
- All boxes must be completed. If any item is not applicable, enter “0”. All figures must be **right-aligned**.

Part A: Deductions Claimed Against Income

Box 1	Medical Expenses	<ul style="list-style-type: none"> ○ Deductible medical expenses (including cash allowance in lieu of medical expenses and medical insurance) are capped at 1% of total employees' remuneration. However, the cap is increased to 2% of total employees' remuneration if the company has: <ul style="list-style-type: none"> ● provided its employees with inpatient medical insurance benefits in the form of a Portable Medical Benefits Scheme, a Transferable Medical Insurance Scheme or a Shield plan; or made ad-hoc contributions to its employees' Medisave accounts (subject to a cap of \$1,500 per employee per year) during the relevant basis period; <u>and</u> ● met the qualifying conditions under the respective scheme/ plan. ○ The additional tax deduction for medical expenses beyond 1% of total employees' remuneration excludes premiums for Riders on Shield plans that cover deductibles and co-payments. ○ Companies claiming medical expenses in excess of 1% of total employees' remuneration must declare in their tax computations that conditions under Sections 14(6A), (6B) and (6C) of the Income Tax Act (ITA) are met. ○ For more information, please refer to Sections 14(5) to (8) of the ITA and IRAS' website under Home > Businesses > Companies > Working out Corporate Income Taxes > Business Expenses, click on “Select Subheading” and select “Non-Deductible Business Expenses” followed by “Medical Expenses”.
Boxes 3 & 4	Participation in approved local trade fairs – Section 14B Participation in overseas trade fairs, overseas business development and investment study trips/ missions – Section 14B/ 14K	<ul style="list-style-type: none"> ○ Businesses may claim automatic double tax deduction on up to \$100,000 of qualifying expenses incurred in the following four qualifying activities for each YA, without approval from IE Singapore of STB: <ol style="list-style-type: none"> a) Overseas business development trips/ missions; b) Overseas investment study trips/ missions; c) Participation in overseas trade fairs; and d) Participation in approved local trade fairs. ○ Enter the relevant amount incurred for the qualifying activities in Boxes 3 and 4 accordingly, subject to the cap of \$100,000 for all the four qualifying activities. ○ For more information, please refer to IRAS' website under Home > Schemes > Businesses > Double Tax Deduction for Internationalisation Schemes.
Box 6	Research and Development (R&D) Activities – S14DA(1)	<ul style="list-style-type: none"> ○ Qualifying expenditure comprising staff costs and consumables incurred on R&D activities conducted in Singapore during the basis periods relating to YA 2009 to YA 2018 will qualify for an additional 50% deduction under Section 14DA(1) of the Income Tax Act. To support businesses to build their own innovations, the R&D additional deduction of 50% will be increased to 150% for such qualifying R&D expenditure incurred during the basis periods for YA 2019 to YA 2025 on qualifying R&D projects performed in Singapore. ○ For more information, please refer to IRAS' website under Home > Businesses > Companies > Working out Corporate Income Taxes > Business Expenses, click on “Select Subheading” and select “Non-Deductible Business Expenses” followed by “Research and development”.

Part B: Current Year Capital Allowances Claimed as per Tax Computation

Boxes 16 to 19	Capital Allowances claimed	Enter the total of IA + AA + BA – BC, including Enhanced Allowances claimed under the Productivity and Innovation Credit (PIC)/ PIC+ Scheme [Section 19A(2BAA) of the Income Tax Act]. If the amount is negative as a result of BC, enter an “X” in the box on the extreme left for paper filing, or add a negative sign for e-filing.														
		<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 20%;">Section</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>19</td> <td>Allowances for plant or machinery (over the prescribed tax useful life)</td> </tr> <tr> <td>19A(1)</td> <td>Accelerated allowances of 3 years' write-off for plant and machinery</td> </tr> <tr> <td>19A(2), 19A(3) & 19A(4)</td> <td>Accelerated allowances of 100% write-off for computer, prescribed automation equipment and robots, etc.</td> </tr> <tr> <td>19A(10)</td> <td>Accelerated allowances of 100% write-off for website</td> </tr> <tr> <td>19A(10A)</td> <td>Accelerated allowances of 100% write-off for items of plant or machinery costing no more than \$5,000 each</td> </tr> <tr> <td>19B</td> <td>Writing-down allowances for intellectual property rights</td> </tr> </tbody> </table>	Section	Description	19	Allowances for plant or machinery (over the prescribed tax useful life)	19A(1)	Accelerated allowances of 3 years' write-off for plant and machinery	19A(2), 19A(3) & 19A(4)	Accelerated allowances of 100% write-off for computer, prescribed automation equipment and robots, etc.	19A(10)	Accelerated allowances of 100% write-off for website	19A(10A)	Accelerated allowances of 100% write-off for items of plant or machinery costing no more than \$5,000 each	19B	Writing-down allowances for intellectual property rights
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Part C: Foreign Tax Paid on Foreign Income Received in Singapore

If the rows provided are insufficient, please enter the top 5 highest amounts in rows 20a to 20e and consolidate all remaining amounts in the last row (20f). For the consolidated amount, please select the most representative option for <Nature of Income> and “Other countries not elsewhere classified” (999) for <Country>.

Boxes 20a to 20f	Nature of Income	Enter one of the following codes in the boxes provided:																											
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	Country	Refer to the list of country codes in Appendix 1A of the Explanatory Notes to Form C.																											

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		For the specified qualifying conditions, please refer to IRAS' e-Tax Guide "Income Tax: Certainty of Non-taxation of Companies' Gains on Disposal of Equity Investments (Second Edition)".
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The above information is intended for better general understanding and is not intended to comprehensively address all possible issues that may arise. While every effort has been made to ensure that the above information is consistent with existing policies and practice, should there be any changes, IRAS reserves the right to vary its position accordingly. For the latest information, please refer to IRAS' website at www.iras.gov.sg.