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: De	eductions Claimed Agains	t Income		
Box 1	Medical Expenses	 Deductible medical expenses (including cash allowance in lieu of medical expensinsurance) are capped at 1% of total employees' remuneration. However, the cap is included total employees' remuneration if the company has: provided its employees with inpatient medical insurance benefits in the form of a F Benefits Scheme, a Transferable Medical Insurance Scheme or a Shield plan; contributions to its employees' Medisave accounts (subject to a cap of \$1,500 per enduring the relevant basis period; and met the qualifying conditions under the respective scheme/ plan. The additional tax deduction for medical expenses beyond 1% of total employees' remunipremiums for Riders on Shield plans that cover deductibles and co-payments. Companies claiming medical expenses in excess of 1% of total employees' remuneration their tax computations that conditions under Sections 14(6A), (6B) and (6C) of the Incoare met. For more information, please refer to Sections 14(5) to (8) of the ITA and IRAS' websitations and select "Non-Deductible Business Expenses" followed by "Medical Expenses Subheading" and select "Non-Deductible Business Expenses" followed by "Medical Expenses" 	Portable Medica or made ad-homologue per year eration excluded in must declare me Tax Act (ITA te under <u>Home</u> g, click on "Sele	
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	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: 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 Houble Tax Deduction for Internationalisation Schemes .		
Boxes	Capital Allowances	 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". ances Claimed as per Tax Computation Enter the total of IA + AA + BA - BC, including Enhanced Allowances claimed under the Productivity and		
16 to 19	claimed	Innovation Credit (PIC)/ PIC+ Scheme [Section 19A(2BAA) of the Income Tax Act]. If the an as a result of BC, enter an "X" in the box on the extreme left for paper filing, or add a negativ Filing.		
		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) Accelerated allowances of 100% write-off for computer, prescribed autor equipment and robots, etc.	mation	
		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		
Part C: Fo	oreign Tax Paid on Foreign	Income Received in Singapore		
(20f). For		ease enter the top 5 highest amounts in rows 20a to 20e and consolidate all remaining amount ease select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and "Other countries not elso are select the most representative option for <nature income="" of=""> and Income option for <nature income="" of=""> and Income> and I</nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature></nature>		
Boxes	Nature of Income	Enter one of the following codes in the boxes provided:		
20a to		· · · · · · · · · · · · · · · · · · ·	Code	
20f		Section Description	Code	
		10(1)(a) Trade/ Business income derived from professional, consultancy and others	A	
		10(1)(a) Trade/ Business profit derived from branches outside Singapore	P	
		10(1)(d) Dividends	В	
		10(1)(d) Interest/ Discounts	С	
		10(1)(f) Rent, Premiums and any other Profits arising from Property	D	
		10(1)(f) Royalties	E	
		10(1)(e) Any pension, charge or annuity [includes trust distribution (e.g. REIT distribution)]	F	
	1	10(1)(a) Income not folling under A to E chave		

Income not falling under A to E above

Refer to the list of country codes in Appendix 1A of the Explanatory Notes to Form C.

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Country

10(1)(g)

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Part D: Ex	xemption on Foreign Divid	ends, Branch Profits and Service Income Received in Singapore		
If the rows		ease enter the top 6 highest amounts. Where there are more than 6 rows, the company need not enter details		
Boxes 21a to 21f	Headline tax rate (%)	Headline tax rate of a foreign jurisdiction refers to the highest corporate tax rate of the foreign jurisdiction specified in the main tax legislation or the highest tax rate stipulated in the relevant special legislation, as the case may be. It need not be the actual rate of tax imposed by the foreign jurisdiction on the specified foreign income. Please refer to IRAS' e-Tax Guide "Tax Exemption for Foreign-Sourced Income (Second Edition)" for details.		
	Income subject to tax in the foreign jurisdiction	For foreign income received in Singapore to be exempted, income tax must have been paid or be payable in the foreign jurisdiction from which the foreign income is received. For dividends received, tax paid or payable includes income tax paid or payable in that foreign jurisdiction by the payer company on its income out of which the dividend is paid.		
		As a tax concession, where the foreign income is exempted from tax in the foreign jurisdiction from which it is received as a direct consequence of that foreign jurisdiction granting a tax incentive for carrying out substantive business activities in that jurisdiction, the "subject to tax condition" will be considered as met. To enjoy this concession, relevant documents must be retained and submitted to IRAS upon request. For details, please refer to IRAS' website under Businesses > Companies > Filing Taxes (Form C-S/C) > Guidance on Completing Form C-S/C">Completing Form C-S/C , click on "Select Subheading" and select "Before Completing Form C-S/C" followed by "Documents to Prepare when Filing Form C-S/C. Details are also available in IRAS' e-Tax Guide "Tax Exemption for Foreign-Sourced Income (Second Edition)".		
Part E: Pr	oductivity and Innovation	Credit (PIC)/ PIC+ Scheme		
Company	(a qualifying SME) spent \$2 100,000 and has opted to co	im with partial cash conversion): 2,100,000 in YA 2018 on employees' external training after 1 Aug 2016. The company received a government envert \$50,000 of the qualifying expenditures into a cash payout. The company did		
Less: Qu Remainii Total cos	g cost on employees' extern ualifying cost converted into on ng qualifying cost for enhancest incurred after deducting go			
Box 23b is	s to be completed as follows:			
		Total cost incurred Enhanced Deductions/ Allowances (after netting off government grants received and excluding amounts converted to Cash Payout) (300% of qualifying cost or 250% of qualifying cost for R&D conducted in Singapore)		
		S\$ S\$		
าววูโ	ernal and certified in-house training - tion 14R	23b 1 9 5 0 0 0 0 5 2 5 0 0 0 0		
Subheadir	ng" and select "PIC Benefits"			
	ompany will receive a cash parsion rate would be 40%.	ayout of \$20,000 (i.e. \$50,000 x 40%). For PIC qualifying expenditure incurred after 1 Aug 2016, the cash payout		
expen Under 400%	diture incurred in excess of the PIC+ Scheme, from YA tax deductions/ allowances	ased on a combined cap of \$1,800,000 (i.e. \$600,000 x 3) for YA 2016 to YA 2018 for each activity. Any further he combined cap will only qualify for 100% deduction. 2015 to YA 2018, qualifying SMEs that invest in the 6 qualifying activities under the PIC Scheme can enjoy on an additional \$200,000 in expenditure for each qualifying activity per YA. This brings the expenditure cap for \$600,000 per qualifying activity per YA.		
Company	•	im with full cash conversion): n employees' training and opted to convert the full qualifying cost into a cash payout.		
	, , , , , , , , , , , , , , , , , , , ,	Total cost incurred (after netting off government grants received and excluding amounts converted to Cash Payout) (300% of qualifying cost or 250% of qualifying cost for R&D conducted in Singapore)		
		S\$ S\$		
122hl	ernal and certified in-house training tion 14R	23b		
Box 26	Research and development activities – Sections 14D, 14DA	Enter only qualifying expenditure comprising staff costs and consumables incurred on the research and development activities.		
		posal of Ordinary Shares in Another Company under Section 13Z		
Box 28	Gains from disposal of shares	For gains/ profits from disposal of ordinary shares in another company qualifying for tax exemption under Section 13Z, the company must retain the requisite information and submit to IRAS upon request. For details, please refer to IRAS' website under Home > Businesses > Companies > Filing Taxes (Form C-S/C) > Guidance on Completing Form C-S/C, click on "Select Subheading" and select "Before Completing Form C-S/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.

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