

Singapore Immigration & Fiscal Policies Updates for Businesses

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AGENDA

- Entry approvals and immigration guidelines for businesses in Singapore
- New government support measures available for businesses
- The Double Tax Agreement enhancements between Singapore and Indonesia



Entry approvals and immigration guidelines for businesses in Singapore



Entry approvals for work pass holders and their dependants

With the steady increase in local and international **vaccination** rates, Singapore can gradually **reopen its borders** and allow more workers to come in.

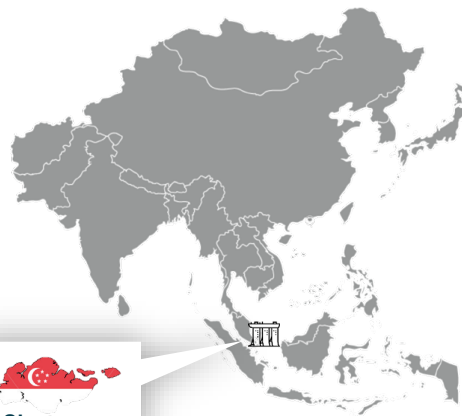
From 10 August 2021, **work pass holders** and their dependants with travel history to higher risk countries/regions (Category III and IV) can start applying for **entry approval**, on the condition that they must be fully vaccinated before arrival in Singapore.

To be considered **fully vaccinated they must:**

- Have received the full regimen of Pfizer-BioNTech/Comirnaty, Moderna or WHO EUL vaccines (refer to "COVID-19 Vaccine EUL issued" section) **at least 14 days before arriving** in Singapore
- Be able to produce documents to **prove their vaccination** status before boarding the flight, and upon arrival in Singapore

Penalties for non-compliance:

Submitters (i.e., party which submitted the entry applications), including Employment Agencies and service providers, and their pass holders have a joint duty to fulfil the travel health control measures. Enforcement measures, including criminal proceedings, revocation of passes and suspension of work pass privileges, will be taken for non-compliance or false declaration.



Singapore

Travel health control measures for WPHL-pass holders

Updated Country/Region Classification and Border Measures for Inbound Travellers



All inbound travellers entering or transiting through Singapore from Category II, III and IV countries/regions will need to produce a negative pre-departure COVID-19 PCR test result taken within 48 hours before departure to Singapore.

2021

9 SEP



Scan to check the latest Border Measures

September 15

Countries/Regions

Border Measures*

Country/Region Classification (based on 21-day travel history prior to entry into Singapore ¹)			
Category I All travellers can enter Singapore without having to serve a Stay-Home Notice (SHN)	Category II Travellers are required to serve a 7-day SHN	Category III Travellers are required to serve a 14-day SHN	Category IV Travellers are required to serve a 14-day SHN
Hong Kong, Macao, Mainland China, and Taiwan	Australia, Brunei, Canada, Germany, New Zealand and the Republic of Korea	Austria, Belgium, Croatia, Denmark, Egypt, Finland, Italy, Japan, Luxembourg, Malta, the Netherlands, Norway, Poland, Saudi Arabia, Sweden, and Switzerland	All other countries/regions ¹
Pre-Departure COVID-19 Polymerase Chain Reaction (PCR) test <u>within 48 hours before departure to Singapore</u> . New			
On-Arrival PCR Test ²		On-Arrival PCR Test ³	
7-day SHN at place of accommodation		<p>Fully vaccinated: May apply to serve 14-day SHN at place of accommodation⁴ (if certain criteria fulfilled)</p> <p>Unvaccinated: 14-day SHN at dedicated SHN facilities</p>	14-day SHN at dedicated SHN facilities
Day 7 SHN PCR Test		Day 3, 7 and 11 Antigen-Rapid Test (ART) Self-Swab Test ⁵	
		Day 14 SHN PCR Test	

Travel health control measures for WPHL-pass holders



Health Measures for Inbound Travellers from Italy (Category III)

- ✓ **Entry approval application**
- ✓ **Pre-Departure COVID-19 PCR test** within 48 hours before departure to Singapore
- ✓ **On-Arrival PCR Test**
- ✓ **Fully vaccinated:** Must apply to serve 14-day SHN at place of accommodation (if certain criteria fulfilled*). For vaccinated overseas: **serology test** to confirm their vaccination status within 14 days of completing SHN
- ✓ **Unvaccinated:** 14-day SHN at dedicated SHN facilities
- ✓ **Day 3,7, 11:** Antigen-Rapid Test Self Swab Test
- ✓ **Day 14:** SHN PCR Test

Country/Region Classification (based on 21-day travel history prior to entry into Singapore)			
Category I All travellers can enter Singapore without having to serve a Stay-Home Notice (SHN)	Category II Travellers are required to serve a 7-day SHN	Category III Travellers are required to serve a 14-day SHN	Category IV Travellers are required to serve a 14-day SHN
Hong Kong, Macao, Mainland China, and Taiwan	Australia, Brazil, Canada, Germany, New Zealand and the Republic of Korea	Austria, Belgium, Croatia, Denmark, Egypt, Finland, Italy, Japan, Luxembourg, the Netherlands, Norway, Poland, South Korea, Sweden, and Switzerland	All other countries/regions*
Pre-Departure COVID-19 Polymerase Chain Reaction (PCR) test within 48 hours before departure to Singapore. View			
On-Arrival PCR Test*			
7-day SHN at place of accommodation	Fully vaccinated: May apply to serve 14-day SHN at place of accommodation* (if certain criteria fulfilled)	14-day SHN at dedicated SHN facilities	
Unvaccinated: 14-day SHN at dedicated SHN facilities			
Day 3, 7 and 11 Antigen-Rapid Test (ART) Self-Swab Test*			
Day 7 SHN PCR Test		Day 14 SHN PCR Test	

*To serve the 14-day SHN at a place of residence or suitable accommodation (e.g. hotel or serviced apartment), submitters can only do so during the entry application if the pass holder fulfils both of these conditions:

- Place of residence or accommodation is occupied by the **pass holder alone or household members**, including any helpers, who are also vaccinated and have the same travel history, arrival date and SHN duration as the pass holder
- Pass holder does not stay in a dormitory



Entry Approval Application

All pass holders must obtain an entry approval to enter Singapore

Application window: 3 to 30 days from date of application

Access the **Safe Travel online application Portal** to select the desired entry date

No changes to the date of entry are allowed once an application has been approved. Book your **flight** upon receipt of approval letter

Vaccinated Travel Lane (VTL)

A step-by-step guide for short-term visitors (STVs) and long-term pass holders (LTPHs)



- Apply for Vaccinated Travel Pass 7-30 days before intended arrival date
- All travellers must have remained in their country of departure and/or Singapore for the last 21 consecutive days prior to departure for Singapore
- Pre-pay for Day 3 and Day 7 COVID-19 PCR tests

APPLICATION
STEP 01



- Book ticket on a designated VTL flight into Singapore (Check respective airline website)
- Take COVID-19 PCR test within 48 hours before departure
- Register and pre-pay for on-arrival COVID-19 PCR test
- Submit SG Arrival Card

For STVs only

- Apply for visa, if required
- Purchase COVID-19 travel insurance
- Download and register TraceTogether app

PRE DEPARTURE
STEP 02



- Present the following at check-in:
 - Passport
 - Vaccinated Travel Pass
 - Vaccination certificate (Print or digital)
 - Negative COVID-19 PCR test report

For STVs only

- Visa, if required
- Copy of COVID-19 travel insurance policy
- Registered TraceTogether app holding screen

Designated VTL Flight

CHECK-IN
STEP 03



- Take on-arrival COVID-19 PCR test at the airport
- Proceed immediately to declared self-isolation accommodation via private transport/ taxi/private hire car (no public buses and trains)

For STVs only

- Activate TraceTogether app immediately after clearing immigration

ON ARRIVAL
STEP 04



- Remain isolated until obtaining a negative COVID-19 PCR test result
- Make appointment for and take COVID-19 PCR tests on Day 3 and Day 7 at designated clinics

Any Flight

STAY IN SINGAPORE
STEP 05



For STVs only

- Retain TraceTogether app data for 21 consecutive days
- Upload TraceTogether app data if requested by Singapore Ministry of Health

DEPART SINGAPORE
STEP 06

New government support measures available for businesses



Job Support Scheme (JSS)

Payouts from 30 June

Employers who have made mandatory **CPF contributions** for their local employees for the months of **January to March 2021** by the stipulated deadlines will qualify to receive the payout

1) Employers in the **aviation, aerospace, and tourism sectors**: 50% support for the first \$4,600 of gross monthly wages paid in January, February and March 2021.

2) **Food services, retail, arts and entertainment, land transport, built environment, and marine and offshore**: 30% support for wages paid during the same period.

3) **All other sectors**: 10% support.

Enhancements to JSS

Target: sectors that have been significantly affected by the safe management measures **from 16 May to 31 Aug 2021**

Payouts:

- for wages paid from **Apr to Jul 2021**: disbursed in Sept 21
- for wages paid in **Aug 2021**: disbursed in Dec 21

Sectors with JSS enhancements	Existing JSS Support		New JSS Support	
	16 May to 11 July	12 to 21 July	22 July to 18 Aug	19 August to 31 Aug
Closed sectors or sectors with enhanced safe management measures*	50%	10%	60%	10%
Significantly affected sectors**	30%		40%	

* F&B, Gyms and fitness studios, Performing Arts & Arts Education

** Retail, Cinemas, Museums, art galleries, historical sites, Family entertainment, Affected personal care, Tourism

Rent Support Scheme (JSS)



Over 38,400 tenants and owner-occupiers to receive more than \$216 million worth of RSS payouts to **support businesses with rental costs**. The new payout mechanism allows tenants to receive rental cash payment from the Government promptly and reduces compliance burden for landlords



Eligible entities: Small and Medium Enterprises (SMEs) and eligible Non-Profit Organizations (NPOs) with an annual revenue not exceeding \$100 million, which are tenants or owner-occupiers of qualifying commercial properties.



Payout Notification: tenants and owner-occupiers will be notified by post of their RSS cash payout. Tenants who only rent part of a property, tenants who rent a mixed-use property, or to licensees should submit an application to IRAS (disbursement is not automatic). Applications open from 16 August 2021 (for the first RSS round)



First RSS payout: payout equivalent to 0.5 month of their rent for the period of 14 May to 29 May 2021. Disbursement from August 6 and earlier payouts for tenants and owner-occupiers with PayNow or GIRO
Second RSS payout: 0.5 month of their rent for the period of 22 July to 18 August 2021. Disbursement from October 2021.

The Double Tax Agreement enhancements between Singapore and Indonesia



DTA enhancements between Singapore and Indonesia

- The current DTA between the two countries came into force on 25 January 1991
- The updated Agreement was signed on 4 February 2020, entered into force on 23 July 2021 and will become effective on 1 January 2022
- DTA enhancements will benefit businesses in both Singapore and Indonesia as well as boost bilateral trade and investment flows between the two countries

Lower withholding tax rates for royalties and branch profits	Tax exemption in the source State for certain capital gains	Removal of limitation of relief to treaty benefits
<ul style="list-style-type: none">▪ Article 12: Withholding tax for royalties reduced from 15% to:<ul style="list-style-type: none">▪ 10% for the use of, or the right to use, any copyright of literary, artistic or scientific work▪ 8% for the use of, or the right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience▪ Article 10(6): After-tax profits of the permanent establishment may be subjected to an additional tax in that other State in accordance with its law, but the additional tax so charged shall not exceed 10 per cent of the amount of such profits.	<ul style="list-style-type: none">▪ The new Article 13: Gains from the alienation of any property, other than that<ul style="list-style-type: none">▪ from the alienation of immovable property▪ from the alienation of movable property forming part of the business property of a permanent establishment▪ from the alienation of shares deriving more than 50 per cent of their value directly or indirectly from immovable property▪ from the alienation of ships or aircraft operated in international trafficshall be taxable only in the Contracting State of which the alienator is a resident	<ul style="list-style-type: none">▪ The limitation of relief included in Article 22 of the current Singapore- Indonesia DTA has been removed. Before DTA update, persons could only enjoy treaty benefits if the income is remitted to or received in the country of residence.▪ With the adjustment of Article 22 in the updated Singapore-Indonesia DTA, Singapore tax resident investors would no longer be required to remit the income into Singapore to enjoy the treaty benefits accorded under the DTA, subject to the principal purpose test (“PPT”).

FAQs



Frequently asked questions



Q: What if I've received two doses of two different vaccines recognized by WHO?

A: When you enter Singapore you will be considered **not fully vaccinated**. Although, after you SHN, you will be able to get a serology test at a Public Health Preparedness Clinic and depending on the result, you will get you fully vaccinated status.

Q: My employee has been approved for entry into Singapore under the Work Pass Holder General Lane (WPHL). However, he/she is unable to enter Singapore on the date specified in the application, or I no longer wish to bring them in. What should I do?

A: To bring your employee into Singapore on another date, you will need to submit a **new entry application** for him/her to enter Singapore on another date. For ICA to consider a refund of the entry charges for the previous application, you will need to submit a request to cancel the entry approval.

Q: Why am I unable to access the Safe Travel Portal despite having a Corppass?

A: From 11 April 2021, the login process for Corppass will be changed to **first verify your identity via Singpass**, before you can proceed to access and transact with government digital services. For foreign users, you would have received an email about your pre-registered Singpass account. Your newly created Singpass account has been linked to your existing Corppass accounts and will be the new login method.

Frequently asked questions (2)



Q: I am a tenant. My landlord had fully/partially waived my rent, am I still allowed to keep the cash payout?

A: Yes, tenants are still allowed to keep the cash payout from the Rental Support Scheme even if their landlords have provided a rental waiver.

Q: Will my firm be able to claim full tax deduction on the wages which are co-funded by the JSS payouts?

A: Yes, you are allowed to claim full tax deduction on the gross wages paid to your employees, notwithstanding that such wage expenses are funded out of JSS payouts. If you pass on the JSS payouts in the form of additional wages or fringe benefits to your employees, then such additional wages are taxable employment income in the hands of your employees, subject to existing income tax rules. You may claim tax deduction on the additional wages or fringe benefits paid, subject to existing income tax rules.

Q: I am a Singapore tax resident investor. After the amendment in the Article 22 of the DTA, are foreign sourced income non remitted into Singapore subject to tax under Singapore's domestic tax regime?

A: No, foreign sourced income that are not remitted into, received or deemed received in Singapore would not be subject to tax under Singapore's domestic tax regime. With the updated DTA Singapore tax resident investors would no longer be required to remit the income into Singapore to enjoy the treaty benefits accorded under the DTA.

Contact us



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Thinking beyond tomorrow