

## KEY FACTS COMPANIES

AN INDEPENDENT, ECONOMICALLY STRONG AND POLITICALLY STABLE STATE, WITH A WELL-ESTABLISHED LEGAL SYSTEM BASED ON ENGLISH COMMON LAW AND A PRO-BUSINESS ENVIRONMENT, SINGAPORE IS AN ECONOMIC GATEWAY TO SOUTHEAST ASIA. SINGAPORE HAS COMMITTED TO COMPLYING WITH ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD) GUIDELINES AND IS PART OF ITS 'WHITELIST'.

### HIGHLIGHTS

- > Companies can be incorporated under the Singapore Companies Act 1967 ("Companies Act") as private or public, limited by shares, by guarantee or unlimited.
- > Companies that are privately held with limited liability are required to have the following suffixes in their name: "Private Limited", "Pte. Limited" or "Pte. Ltd."
- > Information on controllers, otherwise known as beneficial owners, is not accessible by the public and will only be made available to Singapore law enforcement agencies.
- > Information on a company's officers and shareholders are accessible by the public.
- > Trident Singapore can provide nominee director, shareholder and trustee services.
- > Object clauses are not a requirement in a company's constitution.
- > Companies with restricted business activities may need to obtain licence(s) or approval(s) from the relevant regulatory authorities prior to commencement of business.
- > Board meetings can be conducted anywhere in the world; however, the tax authority may consider the location of the board meetings relevant in determining the tax status of the company.
- > For substance purposes, a Singapore company may be deemed resident or non-resident in Singapore depending on its place of central management and control.
- > Financial statements are prepared in compliance with the Singapore Financial Reporting Standards (SFRS) and, unless exempted, must be filed with the Accounting and Corporate Regulatory Authority, Singapore (ACRA) within the stipulated timeline. Financial statements in XBRL (eXtensible Business Reporting Language) format filed with ACRA are accessible by the public.

### INCORPORATION REQUIREMENTS

- > Application for company name approved by ACRA
- > At least one director who is ordinarily resident in Singapore
- > Minimum issued share capital of \$1 (or equivalent in any currency)
- > Between 1 and 50 shareholders, who may or may not be directors of the company and can consist of both local and non-local individuals or companies; 100% non-local shareholding is allowed
- > Registered office address in Singapore, where all communications and notices to the company are addressed to
- > Financial year end or accounting period, which determines a company's annual corporate filings and taxes deadlines

## STATUTORY REQUIREMENTS

### Directors

- > Directors must be a natural person – corporations cannot be appointed as directors
- > A company must appoint at least one director
- > At least one director must be ordinarily resident in Singapore (individual's usual place of residence is in Singapore, i.e., a Singapore citizen, permanent resident, or employment pass holder)
- > An employment pass holder who wishes to undertake a secondary directorship in another Singapore entity must receive prior approval from the Ministry of Manpower of Singapore by applying for a Letter of Consent

### Company Secretary

- > A company must appoint at least one company secretary within six (6) months from its incorporation
- > A company secretary must be an individual residing locally in Singapore
- > A sole director of a company may not also act as the company secretary
- > The company secretary must be a qualified person as defined in the Singapore Companies Act
- > The company secretary may also be held liable for the company's failure to comply with certain statutory obligations

### Auditor

- > A company must appoint an auditor within three (3) months from its incorporation, unless it is exempted from audit requirements under the Companies Act
  - > dormant companies with no accounting transactions for the financial year in question or which have not commenced business since incorporation; or
  - > small private companies<sup>1</sup> which fulfil at least two of the following criteria for immediate past two consecutive financial years: (i) total annual revenue of not more than S\$10 million; (ii) total assets of not more than S\$10 million; or (iii) number of employees of not more than 50

### Data Protection Officer

- > A company must designate at least one data protection officer (DPO) in compliance with the Personal Data Protection Act 2012 (PDPA)
- > The PDPA does not set out where the DPO should be based, and the DPO is not required to be an employee of the entity and may be outsourced to a third-party
- > The DPO's business contact information must be made available to the public and can be registered with ACRA
- > For more information on the role and responsibilities of a DPO, please visit: [www.pdpc.gov.sg/Overview-of-PDPA/Data-Protection/Business-Owner/Data-Protection-Officers](http://www.pdpc.gov.sg/Overview-of-PDPA/Data-Protection/Business-Owner/Data-Protection-Officers)

### Registrable Controllers

- > A company is required to set up and maintain a register of registrable controllers (RRC) within 30 days after incorporation, unless exempted
- > The RRC shall be subsequently lodged with ACRA within two business days after setup

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<sup>1</sup> A subsidiary or holding company may only qualify as a small private company if the company itself and the group qualifies under the "small company" criteria based on the group consolidated basis. Where the holding company is a foreign company that does not prepare consolidated financial statements, the consolidated total assets should be determined by the aggregation of the total assets of all the companies in the group, and the consolidated revenue should be determined by the aggregated revenue of all the companies in the group.

- > The RRC is only accessible by a company's officers, ACRA, or Singapore public agencies
- > The company must take reasonable steps to identify the registrable controllers of the company, including sending notices to any person whom the company knows or has reasonable grounds to believe is a registrable controller or has knowledge of someone who is a registrable controller or has that knowledge

#### Nominee Directors and Shareholders

- > A company is required to set up and maintain a register of nominee directors (RND) and register of nominee shareholders (RNS), unless exempted
- > With the passing of the ACRA (Registry and Regulatory Enhancements) Bill on 2 July 2024, a company will be required to lodge the RND and RNS with ACRA once implemented
- > The nominee status will be made available to the public, however the full RND and RNS are only accessible by a company's officers, ACRA, or Singapore public agencies
- > An individual acting as a nominee, must inform the company and provide the required information of the nominator whom they will rely on for instructions within the required timeline stipulated in the Companies Act

#### REGISTRATION OF CONTACT ADDRESS

- > With the passing of the ACRA (Registry and Regulatory Enhancements) Bill on 2 July 2024, ACRA will be introducing the use of contact address by the end of 2024
- > The contact address will replace residential addresses in ACRA's public registers to enhance individuals' data privacy
- > Provision of a contact address is mandatory for all officers (i.e., directors, secretaries, chief executive officers) and shareholders. Individuals may opt to use their residential address as their contact address
- > Any existing registered residential and/or alternate address of an individual will be automatically converted to the contact address once the regime is implemented by ACRA
- > The contact address may be a location within the same jurisdiction as the individual's residential address where they will be contactable, and it must not be a P.O. Box address

#### TAXATION

- > Taxation of income in Singapore is assessed on a territorial and remittance basis; only income accrued in or derived from Singapore, or income derived overseas but received in Singapore, is subject to tax
- > The corporate tax rate is a flat 17%, with a lower effective tax rate due to available applicable tax exemptions and incentives
- > Singapore resident companies can benefit from a broad network of double taxation agreements and many government corporate tax incentive schemes and grants
- > Singapore resident companies are generally entitled to income tax exemptions on foreign-sourced dividends, foreign branch profits, and foreign-sourced service income, subject to meeting certain criteria
- > All foreign-sourced income received by individuals in Singapore is tax exempt
- > No capital gains tax
- > No estate duty

## FOREIGN CORPORATE RE-DOMICILIATION TO SINGAPORE

- > In response to the growing number of foreign entities wishing to relocate to Singapore, the government introduced an inward re-domiciliation regime on 11 October 2017.
- > Previously, the only options available to foreign corporate entities were registering a subsidiary, branch office or representative office. Following the amendments, eligible foreign corporate entities can now also apply to transfer their registration to Singapore.

- ▶ PEOPLE LED
- ▶ TECH ENABLED
- ▶ GLOBAL COVERAGE
- ▶ TAILORED SERVICE

- ▶ 1,100 STAFF
- ▶ 25 JURISDICTIONS
- ▶ 47,000 ENTITIES
- ▶ \$177BN AUA

- ▶ FUNDS
- ▶ PRIVATE CLIENTS
- ▶ CORPORATE CLIENTS
- ▶ MARITIME

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