SINGAPORE

# KEY FACTS
# SINGLE FAMILY OFFICE SCHEMES

SINGAPORE OFFERS SEVERAL TAX INCENTIVE SCHEMES DESIGNED TO ENCOURAGE ULTRA-HIGH-NET-WORTH FAMILIES TO ESTABLISH SINGLE FAMILY OFFICES AND FAMILY-OWNED FUND VEHICLES LOCALLY. THESE SCHEMES PROVIDE A STABLE AND TAX-EFFICIENT FRAMEWORK, SUPPORTED BY A CLEAR REGULATORY REGIME, FOR FAMILIES TO SET-UP AND MANAGE THEIR INVESTMENT STRUCTURES IN SINGAPORE.

## TAXATION OF COMPANIES

Singapore taxes corporate income on a territorial and remittance basis. Income accrued in or derived from Singapore, and foreign-sourced income received in Singapore, is subject to tax.

The corporate income tax rate is a flat 17%.

## REVISED MAS FRAMEWORK FOR SINGLE FAMILY OFFICES (FROM 15 JUNE 2026)

Monetary Authority of Singapore (MAS) has introduced a revised framework for Single Family Offices (SFOs), aimed at simplifying the establishment process while enhancing regulatory oversight.

Under the updated framework, eligible SFOs:

> Do not need to apply for a licence
> Do not need to obtain a legal opinion confirming satisfaction of the eligibility criteria
> Must file a Notice of Commencement of Business (the "Notification") with MAS within 14 days of commencing operations in Singapore.
> Must maintain a bank account with a MAS-licensed bank
> Must file an annual return (including AUM and banking details) within 4 months of the Financial Year end, consistent with the S13O/13U annual declaration timeline.

The framework is structure-agnostic, allowing qualifying SFOs to rely on a class exemption regardless of how they are set up.

Existing SFOs will have a one-year period to comply with the above and must file the Notification with MAS by **15 June 2027**.

## TAXATION INCENTIVE SCHEMES[1]

Sections 13O and 13U provide tax exemption on specified income, derived from Designated Investments, by an approved fund.

The exemption applies for the lifetime of the fund, subjected to ongoing compliance with all qualifying conditions, providing both tax efficiencies and certainty on tax treatment for the long term.

### Section 13O: Onshore Fund Tax Incentive Scheme

> For funds managed onshore in Singapore through a Singapore tax-resident corporate vehicle.
> Application to the MAS and their subsequent approval is required.

### Section 13U: Enhanced Tier Tax Incentive Scheme

> Available to both onshore and offshore fund vehicles
> Offers flexibility for a broad range of fund structures
> Application to the MAS and their subsequent approval is required

[1] These guidelines do not constitute tax advice and should be read in conjunction with the Income Tax Act 1947 and the MAS regulations governing Sections 13O and 13U.

## SECTION 13O AND 13U CRITERIA

| CRITERIA[2] | SECTION 13O (SINGAPORE VEHICLE) | SECTION 13U (SINGAPORE / OFFSHORE VEHICLE) |
|---|---|---|
| ASSETS UNDER MANAGEMENT (AUM)[3] | > Minimum SGD 20 million in Designated Investments[4] at point of application and at the end of each financial year | > Minimum SGD 50 million in Designated Investments at point of application and at the end of each financial year |
| INVESTMENT PROFESSIONALS (IPs) | > Minimum of two (2) full-time IPs, with at least one (1) non-family member[5]<br>> IPs must:<br>> have relevant experience/qualification<br>> be employed as a portfolio manager, analyst or trader who will engage ≥50% of their time in investment activities<br>> earn at least SGD 3,500 per month (or SGD 6,200 where Employment Pass is required) | > Minimum of three (3) full-time IPs, with at least one (1) non-family member<br>> IPs must:<br>> have relevant experience/qualification<br>> be employed as a portfolio manager, analyst or trader who will engage ≥50% of their time in investment activities<br>> earn at least SGD 3,500 per month (or SGD 6,200 where Employment Pass is required) |
| CAPITAL DEPLOYMENT REQUIREMENT (CDR) | > CDR: Average month-end local investments must exceed SGD 10 million or 10% of AUM, whichever is lower<br>> Eligible investments[6] may receive x1.5 or x2 multiplier credit | |
| OTHER REQUIREMENTS | > Section 13O/U entity must maintain a bank account with an MAS-licenced financial institution throughout<br>> SFO must maintain a bank account with an MAS-licensed financial institution and submit an annual return to MAS under the revised framework | |

### Annual Spending Requirement[7]

Tiered minimum spending requirement for both section section 13O/U:

| AUM | LOCAL SPENDING | TOTAL SPENDING |
|---|---|---|
| < SGD 50 MILLION | ≥ SGD 200,000 | ≥ SGD 200,000 |
| SGD 50 < 100 MILLION | ≥ SGD 200,000 | ≥ SGD 500,000 |
| SGD ≥ 100 MILLION | ≥ SGD 200,000 | ≥ SGD 1 million |

Eligible donations and grants to qualifying blended finance structures (with substantial involvement of Singapore entities) may count towards spending, some with a x2 multiplier

[2] Criteria relates to S13O/S13U fund vehicles managed by Exempt SFOs, applicable to incentive awards granted from 1 January 2025
[3] AUM refers to the value of investments that qualify as Designated Investments
[4] Designated Investments are defined in the Singapore Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010.
[5] Family member includes lineal descendants from a single ancestor, spouses and former spouses, adopted children, stepchildren as well as in-laws (parents-in-law and siblings-in-law), within a five-generation limit
[6] Eligible investments include listed securities, qualifying debt instruments, Singapore operating companies and selected sustainable or blended finance investments, subject to MAS guidelines.
[7] According to accounting principles, expenses incurred should relate to the operating activities of the fund (as opposed to financing activities). Typical expenditures include, but are not limited to, remuneration, management fees, tax advisory fees and operating costs.

## HOW WE CAN ASSIST

Our team has significant experience supporting clients in establishing and administering family offices in Singapore.

Our corporate services cover incorporation, ongoing corporate secretarial and resident director services, Employment Pass applications and fund administration solutions. As an experienced professional trustee, we regularly assist in establishing overlying family trusts to own SFOs and 13O/U fund vehicles, supporting asset protection and succession planning objectives.

Please contact our team at singapore@tridenttrust.com with any questions.