



## Singapore CA Qualification (Foundation) Examination

9 December 2022

### Singapore Taxation

#### INSTRUCTIONS TO CANDIDATES:

1. The time allowed for this examination paper is 3 hours 15 minutes.
2. This examination paper has **FOUR (4)** questions and comprises **TWENTY-SIX (26)** pages (including this instruction sheet, Appendix A and Appendix B). Each question may have **MULTIPLE** parts and **ALL** questions are examinable.
3. This is a restricted open book examination. You are allowed to have only the following materials with you at your exam location:
  - One A4-sized double-sided cheat sheet
  - One A4-sized double-sided blank scratch paper
4. During the examination, you are allowed to use your laptop and any calculators that comply with the SAC's regulations. Please note that watches, mobile phones, tablets, and all other electronic devices **MUST NOT** be used during the examination.
5. During the examination, videos of you and your computer screen will be recorded for the purpose of ensuring examination integrity and you have consented to these recordings.
6. This examination paper and all video recordings of this exam are the property of the Singapore Accountancy Commission.

#### MODULE-SPECIFIC INSTRUCTIONS:

7. Assume that all dollar amounts are in Singapore dollar (S\$) unless otherwise stated.
8. All computations should be presented up to **TWO (2)** decimal places, unless otherwise stated.

#### IMPORTANT NOTICE:

**If you are not feeling well, please do not press "Start Assessment". If you have started and leave during the exam, you would be deemed to have attempted the paper.**

**\*\*VERY IMPORTANT NOTICE\*\***

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1. Your question paper is attached under the "**Resource**" tab found at the bottom right of **EACH** question.

**Other important information:**

2. You will **only be allowed** to access the Excel function from your computer.
3. You are **NOT ALLOWED** to access any websites or reference materials (except for your A4 sized double sided cheat sheet) during the exam.
4. You are **NOT ALLOWED** to print the question paper.
5. **Please take note that your screen will be monitored throughout the examination. If you are found to have accessed unauthorised materials or websites, or if you cheat or attempt to cheat, you will be liable to severe disciplinary action.**

Should you encounter any issues during the exam, please call the following number:

+65 6100 0516

6. **You do not need to fill in an answer for this question.**

### Question 1 – (a) and (b)

Wanda Pte Ltd (“WPL”) was incorporated in Singapore in September 2019 and filed its first tax return for Year of Assessment (“YA”) 2021. WPL was set up by long-time colleagues and collaborators Wendy Ong, Anders Teo and Ava Wong, who are highly regarded architects and interior designers. WPL provides architectural and interior design services showcasing the company’s flair for working with steel and wood as well as providing a platform to raise the profile of local craft masters of steel and wood whom the company works within their architectural designs. The directors of the company, who are also the shareholders, hold their board meetings in Singapore.

For the year ended 30 June 2021, WPL made a net accounting profit before tax of \$980,000 on a turnover of \$25,500,000. The profit was arrived at after taking into consideration the following income and expenses:

<b>Income</b>	<b>S\$</b>
Interest income from staff loans.	(17,000)
Interest charged on late settlement of customers’ accounts.	(15,000)
Jobs Growth Incentive – government grant to support employers to expand the hiring of local workers.	(5,000)
Receipts in respect of the lease of commercial property - Rental income: \$96,000 - Compensation for early termination of lease*: \$45,000  * The first tenant terminated the lease one year ahead of the end of the lease and, under the terms of the lease, was required to compensate WPL for the loss incurred by WPL during the “unconsumed” period. The final compensation sum was settled at a discount.	(141,000)

<b>Expenses</b>	<b>S\$</b>
Depreciation for the year.	120,000
Repayment of excess Job Support Scheme payout.	30,000

<p>Staff costs comprising:</p> <ul style="list-style-type: none"> <li>• Staff salaries and employer's CPF contribution</li> <li>• Remuneration paid to the three shareholders who are also executive directors at WPL.</li> <li>• Directors' fees</li> <li>• Work-from-home allowances given to staff to cover their purchase of IT hardware, e.g. laptops, printers</li> <li>• Staff medical and hospitalisation insurance premium</li> </ul> <p>WPL has implemented portable or transferable medical schemes through the purchase of medical insurance for its employees which confers on them hospitalisation benefits during their period of employment with WPL and up to 6 months after their employment with WPL ceases.</p>	<p>1,425,000</p> <p>360,000</p> <p>30,000</p> <p>27,000</p> <p>56,500</p>
<p>Legal and professional fees relating to:</p> <ul style="list-style-type: none"> <li>• Drafting of the lease agreement with a subsequent tenant of the commercial rental property.</li> <li>• Recovery of loan to a former employee.</li> <li>• Tax objection lodged with respect to a Notice of Assessment issued to an expatriate staff whose income tax liability is to be borne by WPL.</li> </ul>	<p>8,300</p> <p>1,800</p> <p>2,500</p>
<p>Travel and accommodation expenses for 3 employees including an executive director who participated in an approved trade fair in Country K to showcase the company's work in bespoke furniture designs.</p>	<p>12,900</p>
<p>Loss on computers written off. The computers costing \$60,000 (with a current market value of \$40,000), which were purchased in the previous financial year for staff use, were donated to an Institution of Public Character which had appealed for computers/laptops in good working condition for distribution to students from low-income families in Singapore.</p>	<p>24,000</p>
<p>Interest expense paid to DBS Bank Singapore on the following:</p>	

<ul style="list-style-type: none"> <li>• Loan taken up to repay an interest-bearing bridging loan from shareholder that was used to acquire the rental property.</li> </ul>	56,000
<ul style="list-style-type: none"> <li>• Loan to acquire motor car, SMS6719G, for business use only.</li> </ul>	7,800

### **Note 1**

The following capital expenditures (capitalised to the Balance Sheet) were incurred in the respective financial years:

<b>Item</b>	<b>Financial year</b>	<b>S\$</b>
Office furniture and mechanical equipment (each unit costs more than \$5,000)	2020	184,000
Pantry equipment (each unit does not cost more than \$5,000)	2020	20,500
Computer equipment (still in use)	2020	25,000
Computer equipment (payable over 16 interest-free instalments commencing from December 2020)	2021	208,000
Approval from the Commissioner of Building and Control was <b>not</b> required on the following non-structural renovation works:		
<ul style="list-style-type: none"> <li>• Hacking and debris removal, flooring, general electrical wiring, plumbing and tiling works as well as new sanitary ware <ul style="list-style-type: none"> <li>○ Office area (tranche 1)</li> <li>○ Commercial property rented out</li> <li>○ Office area (tranche 2)</li> </ul> </li> <li>• Construction and installation of the raised platform to facilitate the installation of additional computer equipment</li> </ul>	2020 2020 2021 2021	162,000 36,000 135,000 18,000

a) WPL did not opt for accelerated Section 14N (previously 14Q) deduction in YA 2021 but has decided to opt for accelerated deduction for qualifying costs incurred in YA 2022.

b) WPL claimed maximum accelerated capital allowances in YA 2021 (including opting for accelerated claim over 2 years) and will continue to do so in the current YA.

**Note 2**

For the period ended 30 June 2020, WPL's tax position comprises:

- Unabsorbed capital allowances of \$243,500; and
- Unabsorbed losses of \$76,000.

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**Question 1 required:**

**2**

**(a)** Calculate the minimum tax liability of WPL for YA 2022 given the options adopted by WPL as given in **Notes 1(a)** and **(b)** above. Show all relevant workings/information in relation to the following:

- Special deductions under Sections 14B and 14N of the Singapore Income Tax Act; and
- Capital allowances.

**(20 marks)**

**3**

**(b)** On 15 January 2022, Arteva Home Builders Pte Ltd approached the founding shareholders to express its interest in making a significant investment in WPL. It would reduce the combined shareholdings of the founding members to no more than 25% with each founding member potentially holding not more than 10% shareholdings. What is the tax implication of the proposed change to the shareholdings of the existing shareholders and how can any adverse tax impact be mitigated? WPL expects its business to continue to be profitable in the coming years.

**(5 marks)**

**(Total: 25 marks)**

## Question 2 – (a) and (b)

Sasha Thomas (“Sasha”), a 59-year-old Singaporean, is the sole proprietor of DollarSense, a tax consulting practice she set up after returning to Singapore in 2009. The practice is run out of her home, and her 4 employees work remotely from their respective homes.

For the year ended 31 December 2021, DollarSense made a profit of \$24,500 after taking into account the following income and expenses:

- Salary and CPF contributions for employees: \$336,960
- Salary for Sasha: \$48,000
- Cash allowances paid to employees for remote working expenses: \$14,400
- Cash allowances paid to employees for medical-related expenses: \$4,800  
Apart from this allowance, the business does not provide any medical or hospitalisation insurance coverage for its employees.
- Premium paid on Sasha’s medical and hospitalisation insurance policy: \$10,800
- Running expenses on the business-owned motor car (SPP1529K): \$9,800  
(The car was purchased in 2017 for Sasha’s use. The practice paid \$180,000 for the car, which has a Preferential Additional Registration Fee (PARF) rebate of \$40,000.)
- Fees paid for Sasha to attend the following courses:
  - Various seminars/webinars to update herself on the trends and changes in tax practice: \$1,800
  - Course on managing mental health issues: \$500
- Software licence fees (annual): \$10,200  
The fees are paid on various software programmes used by the business to churn out tax computations for their clients and to generate management reports.
- Printer and desktop computer with improved features costing \$8,900 to replace existing equipment used by Sasha for the consulting business. The old printer and computer with a net book value of \$0 have been taken over now and used at no consideration by Sasha and her family for their personal use. (It has a current market value of \$300.)



- Sasha has unabsorbed trade losses of \$28,000 arising from Year of Assessment (“YA”) 2021. Consequently, Sasha did not need to make any mandatory contributions to her Medisave account as a self-employed in 2021.

Capital allowances on qualifying assets acquired up to YA 2021 have been fully claimed.

Sasha has been working as a part-time lecturer teaching taxation at a private education institution in Singapore for the past 10 years. For the year ended 31 December 2021, the following income and expenses were incurred:

- Salary of \$24,000.
- Cash award of \$500 for long service performed.
- Birthday gift shopping voucher worth \$20.
- Sasha purchased a Microsoft Surface Pro laptop costing \$2,100 as her current laptop, with similar features, has spoilt. She uses the laptop exclusively for online teaching purposes and to prepare her teaching materials.
- Taxi fares of \$200 to commute to work at the education institution.
- Sasha and her employer contribute to her CPF account within the statutory limits with Sasha’s contribution rate capped at 13%.

Sasha owns 3 properties and the net rental surplus and deficit are as follows:

- Property 1 in Singapore has a net rental surplus of \$8,200;
- Property 2 in Singapore has a net rental deficit of (\$3,500); and
- Property 3 in Australia has a net rental deficit of (\$2,300).

**Other information:**

- Sasha is a divorcee with 2 children who are Singapore citizens. She has full custody and is the sole provider of her children.
- Her firstborn, 21-year-old Caden, completed National Service (NS) in April 2021. He commenced tertiary education at a UK university in September 2021. His NS allowance for the year 2021 is \$3,150.
- Her second child is 17-year-old, Cassie, who is certified blind and attending full-time studies at a local junior college.

- Sasha is currently living with her parents, Ken and Patricia Thomas, who are in their late seventies. Both parents do not derive any income and help Sasha with their household and childcare needs of Cassie.
- Sasha has hired a foreign domestic worker to help with household chores. The foreign maid levy incurred for the year 2021 is \$720.

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**Question 2 required:**

**4**

**(a)** Compute Sasha's minimum chargeable income for the Year of Assessment 2022 and maximise the claim for reliefs available to Sasha. All relevant reliefs available to Sasha should be considered and included in your answer. With respect to the following reliefs:

- i. Working Mother Child Relief – Provide your workings showing the rate of claim applied to each child, if any.
- ii. CPF relief – Provide your workings showing the relief applicable to Ordinary Wages and Additional Wages.

**(21 marks)**

**5**

**(b)** Explain the withholding tax implications, if any, of the software licence fees paid by DollarSense to non-tax resident companies. The companies are tax resident in countries that do not have a tax treaty with Singapore and DollarSense is not allowed to modify, duplicate or distribute the software programmes.

**(4 marks)**

**(Total: 25 marks)**

### Question 3 – (a) and (b)

Nez Pte Ltd (“Nez”), a Singapore incorporated company, is a wholesaler and retailer of fragrances manufactured in Australia. It also sells directly to retail customers via its website and through retail outlets in Singapore. Nez is a Goods and Services Tax (“GST”) – registered company. It has also opted to apply a reverse charge on all its imported services.

The following transactions were conducted in the quarter ended 31 July 2021. **Unless otherwise stated**, all purchases made in Singapore were from GST-registered suppliers, and all sales values stated are exclusive of GST. The company’s policy is to claim all available input tax credit.

- (i) Sales of out-of-production fragrances where deliveries were made from Singapore during the quarter:
  - (i-1) Sales to Singapore distributors worth \$1,480,000 before a 15% discount was given.
  - (i-2) Sales of \$580,000 were made to Singapore customers via the website where GST was absorbed.
  - (i-3) Sales of \$1,500,000 before a 15% discount, made to overseas customers where goods were shipped to customers within a week of receiving the orders.
- (ii) Sales of fragrances worth \$1,200,000 were delivered directly from a supplier in Australia to customers in Indonesia.
- (iii) Goods purchased from an Australian supplier and delivered from Australia to:
  - (iii-1) Singapore – cost of \$490,000 and freight charges of \$45,000 paid to an overseas freight forwarder.
  - (iii-2) Indonesia – cost of \$520,000 and freight charges of \$55,000 paid to overseas freight forwarder to deliver the goods to customers in Indonesia.
- (iv) Rental income of \$15,000 for the quarter from the lease of a residential apartment owned by Nez. It is a fully furnished apartment and its annual value is \$66,000.

- (v)** Cash received on 10 July 2021 of \$300,000 as deposit from the sale of the fully furnished apartment at \$3,000,000; the option to purchase has been signed by the purchaser and the sale is scheduled to be completed on 15 August 2021.
- (vi)** Proceeds (actual cash received) of \$2,700 from sale of scrap packing materials.
- (vii)** Legal and estate agents' fees of \$180,000 relating to sale of property in **(v)**.
- (viii)** Consultancy fees of \$25,000 paid to lawyer in Country Z for advice on setting up a branch office in Country Z.
- (ix)** Interest paid of \$23,000 to OCBC Bank Singapore for working capital loan.
- (x)** Purchase of gifts costing \$650 for 2 members of staff for good performance
  - gift valued at \$500
  - gift valued at \$150The gifts were given to staff during the quarter.
- (xi)** Cash donation of \$10,000 to an institution of public character.
- (xii)** Amount owing of \$13,910 in respect of sales made to a non-GST registered distributor in Singapore was written off as the distributor was made bankrupt.

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**Question 3 required:**

- (a)** For each of the above transactions referred to by the Roman numeral code, and with reference only to the quarter ended 31 July 2021, provide your answer in the following format:

	Others, state if OS, NS, BL or EXS	Value of supply made			Output GST	Value of taxable purchase	Input GST
		SR	ZR	EX			
(i-1)							

**Note:** You may copy above table into Excel to prepare your answers.

Where there is no taxable (i.e. standard-rated “SR” or zero-rated “ZR”) or exempt (i.e. EX) supply made or there is no input GST to be claimed, please state why under column marked “Others”, using the following abbreviations:

**OS** – Out-of-Scope

**NS** – No Supply

**BL** – Blocked

**EXS** – Incurred in the making of exempt supply

Using the abbreviations indicated in the legend and the following example transaction as a guide, this is how you should present your answer:

Transaction: **(xi)** Purchase from a non-GST registered supplier  
- \$300

	Others	Value of supply made			Output GST	Value of taxable purchase	Input GST
		SR	ZR	EX			
(xi)	OS					\$0	\$0

Legend for the example answer:

(xi) – Is the unique line number identifying the transaction in the case;

OS (out-of-scope) is the reason why there is no taxable purchase and input tax

**(22 marks)**

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- (b)** In January 2021, the accountant at Nez discovered an error in the income recognised for the year ended 30 April 2020. This resulted in output GST being understated for the quarter ended 30 April 2020. How should the error be rectified and when should it be reported to the Comptroller to avoid penalties?

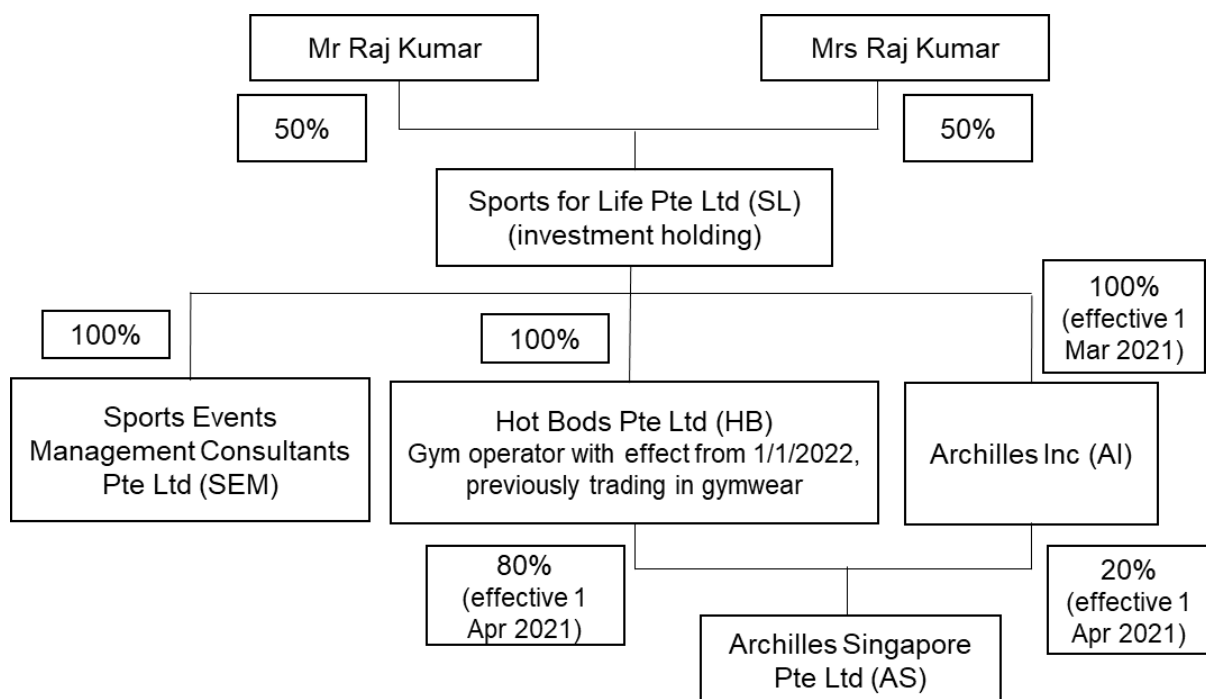
**(3 marks)**

**(Total: 25 marks)**

**Question 4 – (a), (b) and (c)**

Sports for Life Pte Ltd (“SL”), an investment holding company incorporated in Singapore, is the parent company of a group of companies involved in the sports industry. Mr and Mrs Raj Kumar have equally owned SL since incorporation and there is no intention to change any of the shareholders and their shareholdings in the immediate future. SL acquired 100% shareholdings in Archilles Inc (“AI”), a company tax resident in Country X and specialising in manufacturing sports footwear with good cushioning and arch support. The acquisition was completed on 1 March 2021. AI has a wholly-owned Singapore subsidiary, Archilles Singapore Pte Ltd (“AS”), which is in the wholesale business of selling footwear manufactured by AI. AI transferred 80% shareholdings in AS to Hot Bods Pte Ltd (“HB”), a wholly-owned Singapore subsidiary of SL on 1 April 2021. HB was previously in the business of selling gym wear. However, due to intense competition, it pivoted to operating a chain of gyms after winning the Anywhere Gym franchise. The change in business activity for HB will take effect from 1 January 2022. SL has another wholly-owned Singapore subsidiary in Sports Events Management Consultants Pte Ltd (“SEM”) which is in the business of managing sporting events in Singapore and the South East Asian region.

The group structure of SL can be summarised as follows:





Except for AI, all other companies are incorporated in Singapore. All the companies in the group have a 31 December year-end. In addition, the tax position of the various Singapore companies are as follows:

	<b>SEM</b>	<b>HB</b>	<b>AS</b>	<b>SL</b>
<b>Year of Assessment 2021:</b>				
Assessable Income	NIL	NIL	NA	NIL
Unabsorbed loss c/f	(\$10,000)	NIL	NA	NIL
Unabsorbed donations c/f	NIL	(\$20,000)	NA	NIL
<b>Year of Assessment 2022:</b>				
Interest income (net)	NIL	NIL	NIL	\$55,000
Adjusted trade profit	\$220,000	\$90,000	\$150,000	NIL
Capital allowances	(\$40,000)	(\$450,000)	(\$20,000)	NIL
		<b>(Note 1)</b>		

**Note 1:** HB's capital allowances for YA 2022 could not be deferred as they arose from balancing allowances arising from the disposal of its plant and machinery used in the sportswear trading business.

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**Question 4 required:**

**8**            **(a)** Explain if Hot Bods Pte Ltd (HB)'s loss item arising from YA 2022 can be utilised under the group relief provisions. **(6 marks)**

**9**            **(b)** Determine the **net chargeable income** of HB, SEM, AS and SL for YA 2022 on the basis that group relief of HB's unabsorbed capital allowances from YA 2022 will be transferred in the order of SEM first, followed by AS and lastly to SL. There are 365 days in year 2021 and 28 days in February 2021. You can start your tax computation as follows:

	<b>HB</b>	<b>SEM</b>	<b>AS</b>	<b>SL</b>
Adjusted profit/Interest income (net)	\$90,000	\$220,000	\$150,000	\$55,000

**(8 marks)**

**10**            **(c)** If there are remaining unabsorbed capital allowances, trade losses and donations in HB after group relief, explain how these items may be utilised (you are to identify the nature of these unabsorbed items). In YA 2020, HB derived an assessable income of \$210,000.

**(11 marks)**

**(Total: 25 marks)**

**END OF PAPER**

## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

### Goods and Services Tax

Standard rate 7%

Compulsory Registration threshold

- taxable supplies exceeding \$1 million (either under the retrospective or prospective basis)
- imported services, within the scope of reverse charge, in excess of S\$1 million in a 12-month period (either under the retrospective or prospective basis) and importer of service is not entitled to full input tax credit when GST-registered.

### Corporate Income Tax Rate

Year of Assessment 2022 17%

### Computation of exempt income under Partial/Start-up Tax Exemption Scheme

Up to Year of Assessment 2019:

<u>Partial Tax Exemption</u>	\$
First \$10,000 of chargeable income is 75% exempt	7,500
Next \$290,000 of chargeable income is 50% exempt	<u>145,000</u>
Total	<u>152,500</u>

#### Start-up Tax Exemption

First \$100,000 of chargeable income is 100% exempt	100,000
Next \$200,000 of chargeable income is 50% exempt	<u>100,000</u>
Total	<u>200,000</u>

Effective Year of Assessment 2020:

<u>Partial Tax Exemption</u>	\$
First \$10,000 of chargeable income is 75% exempt	7,500
Next \$190,000 of chargeable income is 50% exempt	<u>95,000</u>
Total	<u>102,500</u>

#### Start-up Tax Exemption

First \$100,000 of chargeable income is 75% exempt	75,000
Next \$100,000 of chargeable income is 50% exempt	<u>50,000</u>
Total	<u>125,000</u>

## **Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022**

The corporate tax rebate for the respective years are as follows:

YA 2016 – 50% capped at \$20,000;

YA 2017 – 50% capped at \$25,000;

YA 2018 – 40% capped at \$15,000;

YA 2019 – 20% capped at \$10,000; and

YA 2020 – 25% capped at \$15,000.

There are no corporate tax rebates available for YA 2021 and 2022.

## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

### Personal Income Tax effective from Year of Assessment 2017 (Resident)

Chargeable Income	Rate (%)	Gross Tax Payable (\$)
First \$20,000	0	0
Next \$10,000	2.0	200
First \$30,000	-	200
Next \$10,000	3.5	350
First \$40,000	-	550
Next \$40,000	7.0	2,800
First \$80,000	-	3,350
Next \$40,000	11.5	4,600
First \$120,000	-	7,950
Next \$40,000	15.0	6,000
First \$160,000	-	13,950
Next \$40,000	18.0	7,200
First \$200,000	-	21,150
Next \$40,000	19.0	7,600
First \$240,000	-	28,750
Next \$40,000	19.5	7,800
First \$280,000	-	36,550
Next \$40,000	20.0	8,000
First \$320,000	-	44,550
Above \$320,000	22.0	

### Personal Income Tax (Non-resident)

General Rate: 22%

#### Section 40B Relief for Non-resident Employees

Tax payable on the Singapore employment income of a non-resident individual is calculated at a flat rate of 15% or on a resident basis, whichever results in a higher tax amount.

## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

### Central Provident Fund (CPF)

Contributions for individuals of ages 55 years and below and earning at least \$750 per month.

Rates of CPF contributions (effective from 1 January 2016 onwards)

Employee	20%
Employer	17%

Maximum monthly ordinary wages (OW) attracting CPF	\$6,000
Maximum annual ordinary wages (OW) attracting CPF	\$72,000
Maximum annual additional wages (AW) attracting CPF	\$102,000 less OW subject to CPF

### Ad hoc Contribution to Medisave

Cap on deductible ad hoc contribution by employers to employees' Medisave accounts

- Up to 31 December 2017, \$1,500 per employee per year.
- Effective from 1 January 2018, \$2,730 per employee per year.

## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

### Personal Income Tax Reliefs

With effect from YA 2018, the overall personal income tax relief available to resident individuals, as detailed below, will be capped at \$80,000.

#### Earned income

Age	Normal (able-bodied) maximum	Handicapped maximum
Below 55 years	\$1,000	\$4,000
55 to 59 years	\$6,000	\$10,000
60 years and above	\$8,000	\$12,000

#### Other reliefs

Type of relief	Amount of relief
Spouse relief	\$2,000
Handicapped spouse relief	\$5,500
Qualifying child relief (per child) (QCR)	\$4,000
Handicapped child relief (per child) (HCR)	\$7,500
Handicapped sibling relief (per sibling)	\$5,500
Parent relief	
- Staying with dependant	\$9,000
- Not staying with dependant	\$5,500
Handicapped parent relief	
- Staying with dependant	\$14,000
- Not staying with dependant	\$10,000
Working mother's child relief (WMCR)	% of mother's earned income
- First child	15%
- Second child	20%
- Third and subsequent child	25%
- Maximum cumulative WMCR	100%
Maximum relief per child (comprising QCR or HCR and WMCR)	\$50,000
Grandparent caregiver relief	\$3,000
Life insurance relief	\$5,000 (max)

## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

Type of relief	Amount of relief
CPF relief for self-employed	Tax relief will be capped at the lower of: <ul style="list-style-type: none"> <li>• 37% of net trade income assessed; or</li> <li>• CPF relief cap of \$37,740; or</li> <li>• Actual amount contributed in basis period.</li> </ul>
Course fee relief	\$5,500 (max)
Foreign domestic worker levy relief	
- Up to 31 March 2019	\$6,360 (max)
- Effective from 1 April 2019	\$7,200 (max)
Supplementary Retirement Scheme	
- Singapore citizens and PRs	\$15,300 (max)
- Foreign citizens	\$35,700 (max)
CPF cash top-up relief	
- Self	\$7,000 (max)
- Qualifying family members	\$7,000 (max)

### National Service Man (NSman) relief

	Normal Appointment	Key Appointment Holder
Active NSman	\$3,000	\$5,000
Nan-active NSman	\$1,500	\$3,500
Wife/widow/parent of NSman	\$750	\$750



## Appendix A – Standard Taxation Rates and Reliefs - Year of Assessment 2022

### Withholding tax rates

<b>Nature of income</b>	<b>% rates payable</b>
Interest and other payments in connection with loan or indebtedness	15%
Royalty or other lump sum payments for the use of, or the right to use movable properties	10%
Payment for the use of, or the right to use, scientific, technical, industrial, or commercial knowledge or information	10%
Technical assistance and service fees	Prevailing Corporate Tax Rate
Management fees	Prevailing Corporate Tax Rate
Rent or other payments for the use of movable properties	15%
Director's remuneration	22%
Non-resident professional	15% of gross or 22% of net

## Appendix B - Common verbs used by the Examiners

Verb	Description
<b>Calculate / Compute</b>	Do the number crunching and derive the correct answer. Make sure that you write down your workings and crosscheck your numbers.
<b>Explain</b>	<b>Explain</b> requires you to write at least several sentences conveying how you have <b>analysed</b> the information in a way that a layperson can easily understand the concept or grasp the technical issue at hand.
<b>State</b>	<b>State</b> is similar to <b>list</b> , but the items require your professional judgement. For instance, " <b>State</b> any restrictions that apply". One of the easiest ways to make sure that you state comprehensively is to think, " <b>list and justify</b> ".
<b>With reference to</b>	This instruction requires you to relate your answer back to a specific document/s or set of facts. For instance, " <b>With reference to</b> relevant Singapore Financial Reporting Standards, <b>explain</b> the risk of material misstatements relating to ...". In this example, relevant <u>Singapore Financial Reporting Standards</u> acts as a qualifier ( <b>with reference to</b> 'what'). Failure to make specific mention of the document/s or facts in your answer will result in a substantial loss of marks.