



GOLDEN EQUATOR  
WEALTH


# ESTABLISHING YOUR FAMILY OFFICE IN SINGAPORE

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## SINGAPORE AS A PREMIER WEALTH MANAGEMENT HUB

Singapore has established itself as a leading private banking and wealth management hub globally. Anchored in political stability and transparent public institutions, Singapore continues to gain recognition as a trusted partner for businesses. Sound monetary and fiscal policies, coupled with a robust judicial system and low corruption rates underpin Singapore's low-risk economy, creating an attractive environment for Ultra High Net Worth individuals and families to consolidate their wealth in Singapore through formal structures, such as family offices.

## BENEFITS OF ESTABLISHING A FAMILY OFFICE IN SINGAPORE




- Attractive Tax Regime
- Attractive Tax Incentive Schemes
- Extensive Double Taxation Treaties Network



- Skilled And Multilingual Workforce
- Smart Immigration Policies



- Strategic Location With Superb Connectivity
- Transport Hub
- World Class Telecommunication Infrastructure



- Backed by Trusted Legal System & Strong Infrastructure

## TAX INCENTIVE SCHEMES FOR FAMILY OFFICES (13O,13U)

### OVERVIEW OF TAX EXEMPTION SCHEMES

There are 2 relevant tax incentive schemes for funds under the Singapore Income Tax Act 1947 ("SITA"):

- I. Section 13O (Onshore Fund Tax Exemption Scheme)
- II. Section 13U (Enhanced Tier Fund Tax Exemption Scheme)

To qualify, the Fund must be managed by a Singapore-based fund manager. Exemptions are currently extended to 31 December 2024.

### I. SECTION 13O (ONSHORE FUND TAX EXEMPTION SCHEME)

Section 13O is an onshore fund tax exemption scheme where tax is exempt upon specified income of companies incorporated and resident in Singapore, arising from funds managed by fund managers in Singapore in respect of designated investments.

- The Fund must be in the form of a company incorporated in Singapore (includes VCC)
- Must be a Singapore Tax Resident

### II. SECTION 13U (ENHANCED TIER FUND TAX EXEMPTION SCHEME)

Section 13U is an enhanced tier fund tax exemption scheme whereby tax is exempt upon specified income arising from funds managed by fund managers in Singapore in respect of designated investments.

- No restriction on residency of the fund (i.e., fund residence can both be onshore and offshore funds)
- Fund may be in the legal form of companies (includes VCC), trusts and limited partnerships

FIGURE 1. TAX INCENTIVE SCHEMES IN SINGAPORE FOR FUNDS

	Section 13O of the SITA (Onshore Fund Tax Exemption Scheme)	Section 13U of the SITA (Enhanced Tier Fund Tax Exemption Scheme)
Fund Manager	<ul style="list-style-type: none"> <li>• Must be Singapore-based</li> <li>• CMS license or exempted from CMS license</li> </ul>	
Minimum AUM	Minimum AUM of S\$20 million, at point of application to MAS and throughout incentive period	Minimum AUM of S\$50 million, at point of application to MAS and throughout incentive period
Fund Management	Must employ at least 2 investment professionals ("IPs"), with at least 1 IP being a non-family member of the beneficial owner(s) at the point of application and throughout the incentive period	Must employ at least 3 investment professionals ("IPs"), with at least 1 IP being a non-family member of the beneficial owner(s) at the point of application and throughout the incentive period
Local Investment Requirement	At the point of application, at least 10% of AUM or S\$10 million, whichever is lower, must be invested in local investments at any one time.	
Fund Administrator	Must be Singapore-based	
<b>Investment Professionals (IP)</b>		
IP Status	Must be a Singaporean tax resident to be considered an investment professional	
Trade & Compensation	Investment professionals refer to portfolio managers, research analysts and traders who are earning more than S\$3,500 per month and must be engaging more than 50% of their time in the qualifying activity.	
<b>Capital Deployment/Spending Requirements</b>		
Types of Local Investments	Local investment products may include the following: <ul style="list-style-type: none"> <li>• Equities, REITS, Business Trusts, or ETFs listed on MAS-approved exchanges</li> <li>• Qualifying debt securities</li> <li>• Non-listed funds distributed by licenced financial institutions in Singapore</li> <li>• Investments into non-listed Singapore operating companies</li> <li>• Climate-related investments</li> <li>• Blended finance structures with substantial involvement of financial institutions in Singapore</li> </ul> 1.5x or 2x amount invested in eligible investments recognised for Capital Deployment Requirement computation	
Spending Requirements	<ul style="list-style-type: none"> <li>• Tiered Spending Requirement, with minimum \$200,000 in Local Business Spending</li> <li>• Donations to local charities and grants to blended finance structures with substantial involvement of financial institutions in Singapore recognised in <a href="#">Tiered Spending Requirement</a> computation</li> </ul>	
<b>Private Banking Account</b>		
Account Requirements	Must have a private banking account with a MAS-licenced financial institution at point of application and throughout incentive period	
<b>Minimum Annual Business Spending to be Incurred by The Fund</b>		
AUM at the end of the reporting period:	Minimum Total Business Spending*	
≤S\$50 million	S\$200,000	
S\$50 million ≤ AUM ≤ \$100 million	S\$500,000	
AUM > S\$100 Million	S\$1 million	

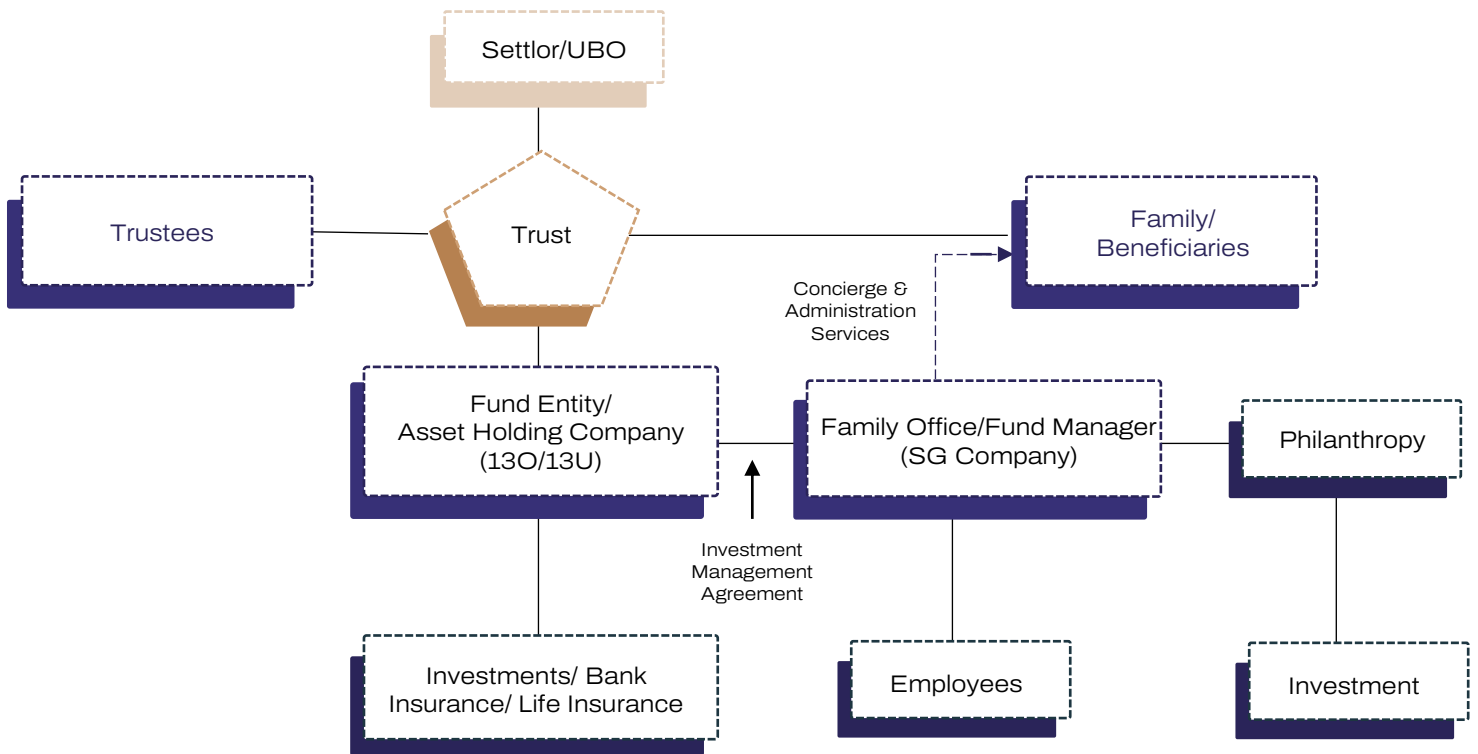
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\*Note:

- AUM refers to the Net Asset Value based on accounting convention
- Business spending to be determined according to accounting principles. Expenses incurred should relate to the operating activities of the Fund (as opposed to financing activities). Typical expenditures includes remuneration, management fees, and operating costs.

FIGURE 2. 13O/13U STRUCTURE FOR A FAMILY OFFICE WITH A TRUST



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