

# Doing business in Singapore



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## Preface

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# Introduction



## Geography

Singapore is located at the southernmost tip of the Asian continent and at the crossroads of major global trading routes. It has a multi-cultural population of 4.84 million (as of June 2008).

## Advantages of Investing in Singapore

Singapore is a world class city for companies to invest and for their employees to work, live and play. She is a globally connected and cosmopolitan city state that offers an excellent environment to knowledge-driven industries.

Singapore's competitive factors (Trust, Knowledge, Connected and Life) sets her apart from other major cities. She is known for her integrity, quality, reliability, productivity, rule of law and enforcement of intellectual property rights. The multi-cultural Singaporean workforce is highly educated, highly motivated, and highly productive. An open immigration policy enables employers to source for the best personnel from anywhere in the world.

She has the most extensive network of free trade agreements (with US, Japan, European Free Trade Association and other key economies) in Asia. In addition, Singapore has signed 35 investment guarantee agreements, giving Singapore-based companies protection against non-commercial risks for their investments in the other countries.

Singapore also offers competitive income tax rates, various financial assistance schemes and tax incentives to attract and assist companies to grow their businesses.

## Constitution

Singapore is a sovereign republic. The Constitution lays down the fundamental principles and basic framework for the three organs of state, namely, the Executive, the Legislative and the Judiciary.

The Executive comprises the Cabinet, which is responsible for the general direction of the Government and is accountable to Parliament. The Legislative

comprises the Parliament and is the legislative authority responsible for enacting legislation. The Judiciary's function is to independently administer justice. The Judiciary is safeguarded by the Constitution.

## Communications and Transportation

Singapore has excellent internal and external telecommunications, with easy access to broadband and vocal telecommunication facilities. The telephone direct dialing system gives instantaneous international communication from both fixed and mobile units.

Singapore has built on its strategic geographical location to become one of the world's top transportation hubs for sea and air cargo. Singapore's Changi International Airport serves over 80 international airlines flying to more than 190 cities in 60 countries whilst her container ports offer a choice of 200 shipping lines with links to some 600 ports in 123 countries.

## Language and Currency

English is the language of administration and business. Malay is the national language. Singaporeans are generally bilingual, often combining their fluency in English with knowledge of Mandarin, Malay or Tamil.

The currency used is Singapore dollar (S\$). One hundred cents = one Singapore dollar.

## Legal System

Singapore's legal system is based on English common law.

## Major Exports and Imports

The General Agreement on Tariff and Trade (GATT) has ranked Singapore the world's 16th largest importer and exporter. Chemicals & chemical products (i.e. organic chemical and chemical products, etc), petroleum & products, manufactured goods (i.e. Iron & Steel, Non-metal mineral manufactures and metal manufactures, etc) and machinery & transport equipment (i.e. Office & Data machine, Telecommunication apparatus and Electrical machine, etc) are both the main exported and imported items.

## Government Policy on Foreign Investment in Singapore

Singapore recognizes the importance of foreign investments and welcomes foreign investors into Singapore with open arms. The Economic Development Board (EDB) is the lead government agency responsible for attracting foreign investors with solutions that create value for investors and companies in Singapore.

Singapore believes that competition spurs businesses to be more efficient, innovative and responsive, leading to effective use of resources and greater productivity gains for the economy. The Competition Commission of Singapore (CCS) is the government agency responsible for administering the Competition Act. Voluntary applications may be made to the CCS for a decision as to whether a proposed activity (such as a merger) may infringe the Competition Act.

## Import control

Singapore imposes import duty on a limited list of items (such as petroleum products, intoxicating liquors, motor vehicles and tobacco products). The import of certain goods (such as drugs, chemicals, animals and food products) is subject to import control. Import clearance is required for the importation of goods into Singapore.

## Exchange Controls

There is no exchange controls in Singapore.

## Source of finance

Companies in Singapore can tap the diverse capital markets and cutting-edge financial services from more than 500 local and foreign financial institutions here.



## Singapore Business Number

Individuals, companies and other entities that carry on business in Singapore must register with the Accounting and Corporate Regulatory Authority (“ACRA”). ACRA will issue the registrant with a Unique Entity Number (“UEN”). The UEN is the identification number for dealings with all government agencies.

# Business Structure



## Types of Business Structure

The main business structures used in Singapore are:

- Companies
- Partnerships, Limited Liability Partnership, Limited Partnerships
- Representative Office
- Trusts

All companies, partnerships and foreign branches have to be registered with ACRA before they can commence business.

## Companies

A limited liability company, commonly referred as a company, is the most common business structure. The shares in a company limit the shareholder's liability to the share investment and any uncalled amount on the shares.

A company can be registered as:

- Private company

A private company has less than 50 shareholders. It can be incorporated with one director and one shareholder and are exempted from appointing professionally qualified secretaries.

A private company will qualify as an exempt private company if it has not more than 20 shareholders and none of its shares are held by another company. An exempt private company with annual revenue of not more than S\$5m is exempted from having their accounts audited.

- Public company

A public company is one with more than 50 shareholders. A company must be registered (or converted from a private company) as a public company if it intends to raise capital by offering shares and debentures to the public. A public company must register a prospectus with the Monetary Authority of Singapore before any public offer of shares and debentures.

Every Singapore incorporated company must have a registered office in Singapore at which service of process and notices can be served. The registered office need not be the place of business of a company.

### Governing Documents

The Companies Act ("CA") contains rules for the internal management of a company. Some of the rules are mandatory for all companies, and some are applicable for specific types of companies. Companies may also have their own memorandum and articles of association to provide rules for the internal management of the company.

### Directors

Every company shall have at least one director who is ordinarily resident in Singapore and, where the company only has one member, that sole director may also be the sole member of the company.

The management and control of a company lies with its directors and the directors may exercise all powers of a company except for any power that the CA or the memorandum and articles of the company require the company to exercise in general meeting

Directors have various statutory duties under the CA. They are required to act honestly and use reasonable diligence in the discharge of the duties of their office and disclose potential conflict of interests. In addition, they shall ensure that there is proper accounting and record keeping to explain the transactions and financial position of the company and to enable true and fair profit and loss accounts and balance-sheets to be prepared and presented during the annual general meetings.

Directors can face large fines or imprisonment for breaches of their duties, as well as a personal liability for debts incurred by the company in certain circumstances.

### Incorporating a company

Investors may engage a professional service firm to assist with the incorporation or acquire a shelf company from the professional service firm. A shelf company is a company that has been incorporated and has not commenced its business or trade. The investors can then change the company name, the directors and the secretary and increase the capital of the company as required.

## Registration requirements and filing procedures for public securities

A public company must register a prospectus with the Monetary Authority of Singapore before any public offer of shares and debentures. The Prospectus must be prepared in accordance with the Securities and Futures Regulations.

Public companies intending to list its shares and debentures on the Singapore Exchange (“SGX”) have to apply for the eligibility to list from SGX. The listing requirements are contained in the SGX Listing Manual.

## Audit requirements and practices

All companies (other than exempt private companies) must appoint independent certified public accountants to audit their annual financial statements.

## Shareholding by foreigners

Foreigners are allowed to own shares in Singapore companies, except in a limited number of industries.

## Foreign Companies

Any person who wishes to register a Singapore Branch of a foreign company will need to engage a professional service firm to with the registration. The CA requires a foreign company to appoint two local residents as its agents.

## Partnerships

A partnership is a business firm owned by at least 2 (limited to 20) partners (individuals or companies). It is not a legal entity and cannot sue or be sued in its own name and it cannot own or hold any property. The partners are personally accountable for business debts and losses including the loss caused by another partner.

### Limited Liability Partnerships (“LLP”)

LLPs combine the limited liability features of companies along with the operational flexibility of partnerships. They must have a minimum of 2 partners (individuals or companies).

A LLP is a legal entity and can sue and be sued in its own name and can own or hold any property. The personal assets of the partners are protected. While partners are not personally accountable for the wrongful acts of other partners, they can be personally accountable for debts and losses resulting from their own careless actions.

### Limited Liability Partnerships (“LP”)

A LP is a business firm owned by a minimum of 2 partners, with at least 1 general partner and at least 1 limited partner. The partners can be individuals, Singapore-registered companies or unregistered foreign companies.

A general partner has unlimited personal liability and can be appointed as the manager of the LP. The general partner is responsible and liable for all actions, debts and obligations of the LP. A limited partner is not liable for any debts and obligations beyond his agreed investment in the LP. If a limited partner takes part in the management of the LP, he will have unlimited liability as if he were a general partner.

A LP is not a separate legal entity and cannot sue or be sued in its own name and cannot own or hold any property.

## Representative Office in Singapore

Foreign companies may set up representative offices to conduct limited business activities such as market research, feasibility studies and liaison work on their behalf. As the registration for the representative office is subject to periodic renewal, it is not suitable for foreign companies wanting to maintain long term operations in Singapore.

## Trusts

A trust is an arrangement where a person (called the 'trustee') holds property for the benefit of others (called 'beneficiaries'). The trust arrangement may be use for public purposes (e.g. for charitable objectives) or for private purposes (e.g. for private individuals in wealth succession planning).





# Taxation

## Introduction

Singapore imposes income tax upon the income of taxable persons (such as companies and individuals). Gains of a capital nature are not subject to any tax. There is a value added tax called the Goods and Services Tax (GST) in Singapore. GST is imposed on the purchase of goods and services. There are also some miscellaneous taxes such as stamp duty and property tax.

## Income Tax

### Income Taxation Law and Administration

The Income Tax Act (Cap. 134) is the legislation that imposes income tax and regulates the collection of income tax. The Comptroller of Income Tax through the Inland Revenue Authorities of Singapore administers the Income Tax Act ("ITA").

### Fiscal Year

The statutory tax year is referred to as the Year of Assessment ("YA") and it begins on 1 January and ends on 31 December. The income for a year of assessment is the income for the preceding calendar year (commonly known as the basis year). For companies with non 31 December financial year ends, they are allowed to use their accounting year instead of the calendar year as the basis year.

### Taxpayers

Individuals and companies that derive taxable income are taxpayers and are liable to income tax. A trust will have to pay tax at the trustee level unless it is granted tax transparency under certain circumstances. Partnerships (including limited liability partnerships and limited partnerships) are transparent for income tax purposes and each partner will be taxed on his share of the income from the partnership.

## Taxable Income

Income tax is imposed on the following types of income:

- Income from trade, business, profession or vocation;
- Employment income;
- Dividends, interest or discounts;
- Pension, charge or annuity;
- Rents, royalties, premiums and any other profits arising from property; and
- Any other gains or profits of an income nature.

Essentially all receipts that income in nature are taxable unless specifically exempt under ITA.

## Allowable Deductions

All outgoings and expenses incurred in the production of the income are deductible for income tax purposes unless the expense (e.g. private plated car expenses) is specifically disallowed under the ITA. Outgoings and expenses incurred in relation to a capital gain/loss are not deductible for income tax purposes.

Capital allowances (i.e. tax depreciation) are granted in lieu of accounting depreciation for the capital expenditure incurred on plant and machinery and industrial buildings used in a trade, profession or business.

## Payment of Tax

Singapore is on an official assessment tax system wherein Notices of Assessment will be issued after the tax authorities have reviewed the tax return. Income tax is due and payable one month from the date of the Notice of Assessment. Late payment penalties of up to 17% of the tax assessed may be imposed for late payment. Taxpayers may arrange for the tax liability to be paid in instalments.

## Lodgement of Returns

Individuals and partnerships are required to file annual tax returns each year by 15 April.

Companies have to file an estimate of their chargeable income within three months after the end of its accounting period. In addition, they have to file annual tax returns by 30 Nov.

## Tax Residence

Taxpayers are categorized as either residents or non-residents. The tax residence of a taxpayer may be affected by the relevant Double Tax Agreement.

- Residence of Individuals

The residence of individual may be determined through the quantitative or qualitative tests. Under the quantitative test, an individual who is physically present or exercises employment in Singapore for 183 days or more in the basis year is treated as resident for the corresponding year of assessment. Under the qualitative test, factors such as location of family ties and permanent home, living arrangement, will be considered collectively to establish the residence of the individual.

- Residence of Companies

A company considered a tax resident if the control and management of its business is exercised in Singapore.

## Source of Income

Income tax is imposed on income accrued in or derived from Singapore, or received in Singapore from outside Singapore. However, individuals are no longer taxed on income sourced from outside Singapore and received in Singapore (unless the income is received via a partnership). Foreign dividends, foreign branch profits and foreign sourced service income may also be tax exempt for companies and individual receiving such income via a partnership if certain conditions are satisfied.

## Taxation of Companies

- Tax rates

The corporate income tax rate for the YA 2010 (i.e. financial year ending in 2009) onwards is 17%. A partial tax exemption is granted to all companies for the first \$300,000 of qualifying taxable income ("TI"), resulting in an effective tax rate of about 8% on the first \$300,000 of TI. Newly incorporated companies may instead qualify for a separate partial tax exemption which may reduce their effective tax rate to between 0% - 5.6% on the first \$300,000 of TI for their first three YAs.

- Dividends

Dividends distributed by Singapore companies are not subject to any further income tax in the hands of its shareholders.

- Unutilised capital allowances and trading losses

Current year unutilised capital allowances ('CA') and trading losses may be carried forward indefinitely and can be used against future taxable profits subject to the "shareholding test" and the "same business test".

The shareholding test requires the company to have substantially (50% or more) the same shareholders on two dates, (i.e. when the trading losses or capital allowances arose and when they are being utilised). The same business test requires the company to continue the same trade for which the allowances were granted. Companies who are not able to meet the shareholding test may apply for a waiver of the test. The Tax Comptroller may grant such a waiver if he is satisfied that the shareholding change is not for the purpose of deriving any tax benefit or tax advantage.

Current year unabsorbed capital allowances ('CA') and trading losses may also be carried back and used against prior taxable profits subject to the "shareholding test" and the "same business test". The carry back is generally limited to one YA (i.e. the YA immediately preceding the YA in which the capital allowances or trading losses arose) and up to \$100,000. For YA 2009 and 2010 (i.e. financial years ended in 2008 and ending in 2009), the carry back is increased to 3 YAs and up to \$200,000 from each YA.

- Group relief

Singapore does not have tax consolidation for companies within the group. As an alternative, qualifying companies belonging to the same group (under a Singapore incorporated company) may transfer current year unutilised capital allowances, trade losses and donations amongst themselves under the group relief system. Only Singapore incorporated companies with the same financial year-end will qualify for group relief provided the 75% ordinary shareholding requirement is met.

### Interest Deductions

There are no thin capitalisation rules under the ITA. Interest expenses wholly and exclusively incurred in the production of income is tax deductible. Where the taxpayer has non-income producing assets such as interest free loans, a portion of the interest expense will be attributed to such assets and the deduction for the attributed interest will be disallowed.

### Repatriation of Profits and Transfer Pricing

Payment of interest, management fees, service fees and royalties are common methods of repatriating profits to non-resident parent companies and associates. Such transactions with related parties are subject to the arm's length requirement, as promulgated by the Organisation for Economic Co-operation and Development ("OECD") and endorsed by the Inland Revenue Authority of Singapore.

### Taxation of Capital Gains

Gains that are capital in nature are not subject to income tax. For instance, the gain from the disposal of his home residence is generally considered capital in nature for the home owner and is not subject to income tax. In contrast, gains from trading in residence properties are considered trading gains in the hands of a property trader and are subject to income tax.

### Interaction with International Tax Regime

Singapore has signed comprehensive double taxation agreements with 60 countries including Australia, Canada, China, Japan, most South-East Asian nations, United Kingdom and many European nations.

## Taxation of Individuals

- Residents

Resident individuals are assessed to tax on taxable income based on the following progressive rates from the YA2007:

<i>Taxable income (\$)</i>	<i>(%)</i>
Up to 20,000	0
20,001–30,000	3.50%
30,001–40,000	5.5%
40,001–80,000	8.5%
80,001–160,000	14%
160,001–320,000	17%
Over 320,000	20%

Various personal reliefs are available to resident individuals.

- Non-residents

No-resident individuals exercising an employment in Singapore are subject to income tax depending on the number of days in Singapore:

- Not more than 60 days

Employment income derived from a short term employment (not more than 60 days) is exempt from Singapore income tax for the non-resident employee. This exemption does not apply to company directors, public entertainers or exercising a profession in Singapore. Professionals include foreign experts, foreign speakers, queen's counsels, consultants, trainers, coaches etc.

- Between 61 and 182 days

The non-resident's employment income will be taxed at the higher of 15% (without personal tax reliefs) or the progressive resident rates (with personal tax reliefs)



Non-residents earning director's fees and other income such as rent, interest, royalty, etc from Singapore will be taxed at 20%. The tax is generally collected through withholding by the payer.

- Employees with Regional Responsibility

Employees who are required to travel in the course of their employment in Singapore may apply for the Area Representative Scheme or the Not Ordinarily Resident Scheme. Under these schemes, the employment income is apportioned based on the time spent in and out of Singapore. The employee will be taxed on the portion relating to his time in Singapore.

### Taxation of Partnerships

Whilst partnerships (including LLP and LP) have to file a tax return, they are transparent for income tax purposes. Each partner will be taxed on his share of the income from the partnership.

### Taxation of Trusts

The taxation of trusts is dependent on the nature of income derives and the residency of its beneficiaries. As a general guide, the trust is taxed (as a final tax) at the trustee level with one exception. Under the exception, the trust is tax transparent in respect of the non trade or business income distributed to resident beneficiaries who are entitled to such distribution under the trust arrangement. Such distribution is subject to income tax directly in the hands of these resident beneficiaries.

### Other Taxes

#### Goods and Service Tax

Goods and services tax ("GST") is charged on the supply of goods and services made in the course of business in Singapore and on the importation of goods into Singapore. It is a broad based consumption tax, aimed at taxing the final consumer.

Persons carrying on businesses of making taxable supplies are required to register for GST if their annual turnover (retroactive or prospective) is more than \$1m. A GST registered person ("GST taxpayer") has to charge GST on his supplies ("Output GST") and pay GST on his purchases ("Input GST"). The GST taxpayer has to file a monthly or quarterly GST return to declare the Output GST collected and the Input GST incurred. He will pay (or claim) the difference (after netting the Output GST against the Input GST) together with the GST return.

All taxable supplies are subject to GST at the standard rate, currently 7%, unless they qualify to be zero-rated or exempted. The exportation of goods and the provision of international services are zero-rated (i.e.: GST is chargeable at the rate of 0%). The GST taxpayer making zero-rated supplies does not collect output GST but is able to claim a refund for the Input GST incurred in making that supply. Exempt supplies include transactions relating to residential real property and provision of financial services. A GST taxpayer making exempt supplies does not have to charge Output GST on the exempt supply and cannot claim a refund of the Input GST incurred in making that supply.

### Customs and Excise Duty

Singapore is a free port and imposes excise and import duties on a limited list of items. Excise duties are imposed principally on tobacco, petroleum products and liquors. Import duties are imposed mainly on motor vehicles, tobacco, liquor and petroleum products.

### Central Provident Fund

Employers are required by law to contribute to the Central Provident Fund ("CPF"), a comprehensive social security savings scheme. Under the scheme, employers are to ensure that CPF contributions are paid monthly for its Singaporean and permanent resident employees at the rates set out in the CPF Act. The employer is entitled to recover a percentage of that contribution from the employee through deductions from the employee's wages

### Estate Duty

There is no estate duty with effect from 15 Feb 2008.

### Stamp Duty

Stamp duty is a tax on executed documents relating to real properties or interest in real properties and shares or interest in shares.

## Property Tax

Property tax is a tax on immovable properties (such as houses, buildings and land) and is payable by the owner of the immovable property. The current property tax rate is 10%. A concessionary rate of 4% is granted for the principal residence of home owners.

# Grants and Incentives



## Introduction

Singapore has a comprehensive list of incentive and development schemes to attract investments into Singapore and to assist investors in expanding their businesses. The schemes range from assistance in manpower development, technological/equipment upgrading, to R&D, intellectual property and industry development.

Some of the key incentives and grants are highlighted in the following paragraphs.

## Regional / International Headquarters Award

The award encourages companies to use Singapore as a regional or global base. A customized package of tax incentives or grants will be given to meet the needs of the investors.

## Pioneer Incentive

This incentive encourages the introduction and growth of new industries in Singapore. A pioneer enterprise is granted full income tax exemption on its qualifying profits for up to 15 years.

## Development and expansion incentive

Investors undertaking projects that will generate significant economic benefits for Singapore may apply for this incentive. The incentive provides preferential income tax rates on all qualifying profits above a pre-determined base, for a set period.

## Approved Royalties Incentive

This incentive encourages companies to transfer their cutting edge technology and knowhow to Singapore by providing full or partial withholding tax exemption for royalty payments or technical assistance fees payable to non-residents.

## Research Incentive Scheme for Companies

Investors looking into developing or bringing new R&D capabilities can apply for this scheme. The project should result in an increase of hiring and training of research scientists and engineers in Singapore. The scheme provides grants to partially offset the R&D project costs incurred for manpower training, equipment investment, intellectual property management and professional services.

## Local Enterprise Finance Scheme (“LEFS”)

This scheme is designed to assist and encourage companies (with at least 30% local ownership) to upgrade and expand their operations. LEFS loans are available for factories, machinery and working capital.

## Local Enterprise Technical Assistance Scheme (“LETAS”)

The LETAS encourage and assists companies (with at least 30% local ownership) in seeking external expertise to improve their operations.

Generally assistance provided is up to 50% of the cost of engaging an external expert to implement quality management and IT systems (e.g. ISO certification, upgrading computer systems.)





# Protection of Intellectual and Industrial Property



Singapore has a fully Trade Related Aspects of Intellectual Property Rights (“TRIPS”) -compliant Intellectual Property Rights (IPR) legislative and administrative regime. It is also a signatory to the various international conventions such as Paris Convention, Berne Convention, Madrid Protocol, Nice Agreement, Patent Cooperation Treaty, Budapest Treaty, WIPO Copyright Treaty and WIPO Performances and Phonograms Treaty.

## Copyright

The Copyright Act (Cap. 63) and its subsidiary legislation form the legislation governing copyright law in Singapore. The creator automatically enjoys copyright protection as soon as he creates and expresses his work in a tangible form. There is no need to file for registration to get copyright protection. The copyright owner will enjoy the exclusive rights to reproduce, publish, perform in public, communicate to public, and make adaption of the work. A copyright work created by a Singapore citizen or resident is protected in many countries overseas by virtue of the international agreements that Singapore is a signatory of.

## Trade Marks

The Trade Marks Act (2005 Revised Ed) (Cap. 332), together with its subsidiary legislation which consists of the Trade Marks Rules and Trade Marks (International Registration) Rules, form the legislation governing the registration of trade marks in Singapore.

Although it is not compulsory to register a trade mark in order to use it, registration will give the trade mark owner a right to ownership and the right to prevent others from using a similar mark without his permission.

Trade mark protection is territorial in nature. A separate registration will have to be made in each of the countries where trade mark protection is desired. To obtain protection outside Singapore, it is necessary to file applications in the countries concerned either individually or via the Madrid Protocol.

## Trade / Business Names

There is no separate legislation governing the registration of trade or business names. ACRA, which oversees the registration of business entities, is empowered under various legislations (such as the Companies Act, Business Registration Act) to reject a proposed company or business name for purposes of incorporation, registration or change of name if that name is identical to another, undesirable or of a kind for which ACRA has been directed not to accept.

## Patents

The Patents Act (Cap. 221) and its subsidiary legislation, which consists of the Patents Rules, the Patents (Patent Agents) Rules, and the Patents (Composition of Offences) Regulations, form the legislation governing patent law in Singapore.

For a patent granted in Singapore, it confers on the owner the right to prevent others from exploiting the invention without his consent. The term of the patent is 20 years from the date of filing the patent application, subject to the payment of annual renewal fees.

## Designs

The Registered Designs Act (Cap. 266) together with a subsidiary legislation consisting of the Registered Designs Rules and the Registered Design (International Registration) Rules 2005, forms the legislation governing the registered designs law in Singapore.

The rights conferred by a registered design prevent others from using the design without the owners' permission. A registered design is protected for an initial period of five years from the date of filing the application. Thereafter, the registration may be renewed every five years up to a maximum of 15 years, subject to the payment of renewal fees.

## Layout - Designs of Integrated Circuits

In Singapore, an original layout-design of integrated circuits (IC) is protected by the Layout-Designs of Integrated Circuits Act (Cap.159A). The Act prevents the copying and commercial exploitation of an original layout-design of an IC, namely, one which is both the result of its creator's own intellectual effort, and which is not commonplace among creators of layout-designs and manufacturers of ICs.

There is no need to file any application to protect a layout-design in Singapore. A citizen or resident of Singapore, a WTO country, or specified qualifying countries, who owns a layout-design, enjoys automatic protection for the layout-design if it qualifies for protection under the law. There is no requirement in Singapore for registration or for any deposit of the layout-design.

# Immigration



## Migration to Singapore

Singapore maintains an open door policy to foreigners as it recognizes the economic importance of attracting foreign talent (such as entrepreneurs, professionals, technical personnel and skilled workers) to Singapore. As such, the migration processes have been made simple and straightforward to enable such global talent to come to Singapore to work and settle down.

Foreigners who want to work and live in Singapore can choose one of the following alternatives:

- Permanent residence
- Professional Visas
- Visas for entrepreneurs

## Permanent residence

Foreigners can apply for permanent residence in Singapore under the following schemes:

- Professionals/Technical Personnel and Skilled Workers Scheme

Foreigner holding the professional visas (refer to the discussion below) can apply for permanent residence under this scheme.

- Global Investor Programme

The Global Investor Programme eases the way for foreigners to set up and operate businesses in Singapore. Contact Singapore will assist by linking up entrepreneurs and investors with local business networks, as well as facilitate a range of immigration processes.

The permanent residence status is usually granted for a period of 5 years and is subject to renewal.

## Professional Visas

Professional visas are issued to foreign professionals who have found employment in Singapore and are about to commence work, those who need to make short visits in their professional capacities, and others who seek training opportunities.

- Employment Pass (P1, P2 and Q1 Pass)

The P Pass is for applicants seeking professional, managerial or executive and specialist jobs with fixed monthly salaries of more than \$3,500. The Q1 Pass is for applicants earning fixed monthly salary of more than \$2,500, with recognised qualifications, skills or years of experience. The issue of the P and Q passes is tied to a specific employer and a change of employer requires a fresh application.

- Personalised Employment Pass

The Personalised Employment Pass (“PEP”) is a new scheme to facilitate the contributions of global talent to Singapore. The PEP provides greater flexibility to the holder as it is not tied to any employer and is granted on the strength and merits of the applicant. A PEP holder is able to remain in Singapore for up to six months in-between jobs to evaluate new employment opportunities.

## Visas for Entrepreneurs

Singapore offers tailor-made visas for those who intend to set up businesses in the country, as well as entrepreneurs who would like to explore business opportunities in the region.

- **EntrePass**

This pass is designed to facilitate the entry and stay of entrepreneurs who will be actively involved in the starting up and operation of the company in Singapore. The EntrePass has an initial validity period of up to 2 years and will be issued upon the submission of a sound business proposal.

- **Multiple Journey Visa (MJV)**

This visa facilitates the entry of business executives from countries that require a visa into Singapore for the purposes of attending to businesses or investments in Singapore or looking for or exploring business opportunities in Singapore. Holders of this visa are permitted to enter Singapore as often as required within the validity period of the visa. The holder may stay up to 30 days per visit.

- **Long Term Social Visit Pass For Entrepreneurs**

This pass is for entrepreneurs who require a longer term stay in Singapore to explore business opportunities, conduct feasibility studies or business negotiations for starting a business in Singapore. The pass allows the entrepreneur to leave and re-enter Singapore within the validity period without having to re-apply each time. The Long-term Visit Pass for Entrepreneurs is valid for a maximum of six months

## **APEC Business Travel Card**

The APEC Business Travel Card (ABTC) scheme is designed to facilitate the travel of business persons between the Asia-Pacific Economic Cooperation (APEC) economies. The ABTC is a multiple journey visa where cardholders enjoy visa-free entry and expedited immigration clearance through designated ABTC lanes in ABTC-participating economies. Each card is valid for three years, or up to the validity of the passport, whichever is shorter.

The participating economies are Australia, Brunei Darussalam, Chile, China, Chinese Taipei, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Singapore, Thailand and Vietnam.