Analysis: China – Singapore Income Treaty

Type of treaty: Income tax
Based on the OECD Model Treaty
Signed: July 11, 2007
Entry into force: September 18, 2007
Effective date: In the P.R.C., from January 1, 2008. In Singapore, from January 1, 2009. See Article 28.
Protocol signed: July 23, 2010
Entry into force of Protocol: October 22, 2010
Effective date of Protocol: January 1, 2011. See Article 2.

Article 1 Persons Covered

See treaty text
Persons who are residents of one or both States.

Article 2 Taxes Covered

See treaty text
Income tax
China
- The Individual Income Tax
- The Enterprise Income Tax

Singapore
Income tax
Expert Analysis:
Singapore:
Singapore's treaties cover only income tax imposed primarily under the Income Tax Act, as amended. Thus, indirect taxes (such as customs and excise duties on imports, and taxes on consumption or property) are generally not covered by Singapore's treaties.

Article 3 General Definitions

See treaty text
"China": the People's Republic of China, that is, all the territory of the People's Republic of China, including its territorial sea, in which the Chinese laws relating to taxation apply, and any area beyond its territorial sea, within which the People's Republic of China has sovereign rights of exploration for and exploitation of resources of the sea-bed and its sub-soil and superjacent water resources in accordance with international law.
"Singapore": the Republic of Singapore, including the territorial waters of Singapore and any area extending beyond the limits of the territorial waters of Singapore, and the sea-bed and subsoil of any such area, which has been or may hereafter be designated under the laws of Singapore and in accordance with international law as an area over which Singapore has sovereign rights for the purposes of exploring and exploiting the natural resources, whether living or non-living.
"A Contracting State" and "the other Contracting State": China or Singapore as the context requires;
"Person": includes an individual, a company and any other body of persons.
"Body of persons": includes a trust established in a Contracting State if the domestic law of that Contracting State regards the trust as a tax resident of that State.
"National": any individual possessing the nationality of a Contracting State, and any legal person, partnership or association deriving its status as such from the laws in force in a Contracting State.
"Company": any body corporate or any entity which is treated as a body corporate for tax purposes;
"Enterprise of a Contracting State" and "enterprise of the other Contracting State": respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
"International traffic": any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State.
"Competent authority": in China: the State Administration of Taxation or its authorised representative; in Singapore: the Minister for Finance or his authorised representative.
Expert Analysis:
The treaty generally follows the same definitions contained in the OECD Model, except in relation to the following. The definition of the term "international traffic" refers not to the place of effective management of the enterprise, but rather the State of residence of the operator of the enterprise. The treaty does not include definitions for the terms "enterprise" and "business". In relation to the

interpretation of any term not otherwise defined, the treaty explicitly follows the ambulatory approach.

Singapore:

The terms “enterprise” and “business” are not explicitly defined in Singapore's income tax law.

Article 4 Resident

See treaty text

Expert Analysis:

Singapore:

INDIVIDUALS

The determination of residence of an individual is made with reference to both formalistic and substantive tests. Accordingly, an individual is a resident of Singapore if that person:

- is physically present in Singapore for at least 183 days;
- exercises an employment (other than as a director of a company) in Singapore for at least 183 days; or
- resides in Singapore, except for temporary absences from the country that are consistent with the person's claim to be a resident.

Each determination of residence is made with reference to the year preceding the year of assessment. For example, an individual who is physically present in Singapore for over 183 days in 2009 will be considered a resident for purposes of the 2010 year of assessment.

Note also, that under a two-year administrative concession, an individual who stays or works in Singapore for a continuous period of at least 183 days (including weekends and public holidays) covering two calendar years will be regarded as a tax resident for the each of those two years. Furthermore, under a three-year administrative concession, an individual who stays or works in Singapore continuously for three consecutive years will be regarded as a tax resident for each of those three years even if the person's physical presence in Singapore in the first and third year each lasted less than 183 days.

COMPANIES

A company or other “body of persons” is considered to be resident in Singapore if the control and management of its business is exercised in Singapore.

Thus, the test of residence for a company is not a formalistic one (e.g. place of incorporation) but one of substance. In making this determination, the most determinative factor is the location from which the company's board of directors discharges its official function of running the company's business. This is normally the place where the board holds its meetings.

Article 5 Permanent Establishment

See treaty text

For a Permanent Establishment to exist, there must be a place of business, the place of business must be fixed, and the business must be conducted through such fixed place.

Building sites, construction, installation or assembly projects, and supervisory activities in connection therewith, constitute a permanent establishment if they last more than 6 months.

The treaty adopts the UN Model Convention provision, by treating the furnishing of services, including consultancy services, by an enterprise through employees or other personnel engaged by the enterprise for such purpose, as constituting a permanent establishment if such activities last more than 183 days in any 12-month period.

The combination of preparatory or auxiliary activities will still not be considered to constitute a permanent establishment.

Expert Analysis:

Singapore:

The concept of a permanent establishment under Singapore's tax law closely follows that of the OECD Model, but with a number of notable deviations. Thus, the term “permanent establishment" is defined in section 2(1) of the Income Tax Act to mean “a fixed place where a business is wholly or partly carried on”, including the following:

(a) a place of management;
(b) a branch;
(c) an office;
(d) a factory;
(e) a warehouse;
(f) a workshop;
(g) a farm or plantation;

(h) a mine, oil well, quarry or other place of extraction of natural resources; and
(i) a building or work site or a construction, installation or assembly project. The law does not prescribe any specific minimum time threshold for such projects.
Furthermore, a person shall be deemed to have a permanent establishment in Singapore if that person fulfils any of the following conditions:
(a) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project. Here again, no minimum time threshold is specified under the law; or
(b) has another person acting on that person's behalf in Singapore who:
(i) has and habitually exercises an authority to conclude contracts;
(ii) maintains a stock of goods or merchandise for the purpose of delivery on that person's behalf; or
(iii) habitually secures orders wholly or almost wholly for that person or for other enterprises controlled by that person.
Because treaty provisions generally override domestic provisions to the extent of any inconsistency, the treaty has the effect of restricting the scope of application of the domestic provision, particularly by imposing a minimum time threshold below which construction, installation and assembly projects, as well as supervisory activities in connection with such projects, would not qualify as permanent establishments.
The treaty also limits the domestic provisions governing agency relationships, not only by excluding independent agents from the application of the domestic law, but also by narrowing the grounds upon which a dependent agent in Singapore may be deemed to be the permanent establishment of the person on whose behalf the agent acts.

Article 6 Income from Immovable Property

See treaty text

Expert Analysis:
The treaty follows the general rule of providing for the exercise of taxing rights in relation to such income by the state in which the property is situated.
It also adopts the definition of the term “immovable property” but omits from the definition the specific exclusion of boats from the concept of immovable property.
The treaty goes beyond the OECD Model by extending the scope of application of the principles governing the taxation of immovable property by the State of situs to the income derived from immovable property used for the performance of independent personal services.

Article 7 Business Profits

See treaty text

Distinct and separate enterprise approach.
Apportionment of total profits permitted.
Same profit attribution method to be used each year.

Expert Analysis:
Singapore:
The treaty follows the distinct and separate enterprise approach in relation to the taxation of the profits of a permanent establishment.
Business income derived by a non-resident from Singapore is taxed if it is derived through a permanent establishment of the non-resident in Singapore. The same rules governing businesses operated by residents generally apply to the determination of the taxable business income of the permanent establishment. Singapore generally follows established international tax treaty norms regarding the taxation of permanent establishments in relation to their treatment as distinct and separate entities.
Although several of its treaties make provision for the use of an apportionment method in the taxation of permanent establishments, there is no established practice in the use of such a method domestically.

Article 8 Shipping and Air Transport

See treaty text

Interest on funds connected with shipping and aircraft operations are treated as part of profits and not interest income in terms of the treaty.
Profits include those from the rental of ships and aircraft, and from the use, maintenance or rental of containers, if incidental to the shipping and aircraft operations.
No express requirement for profits from inland waterways transport to be taxed in Situs State.
No express requirement for taxation of profits relating to boats engaged in inland waterways transport only in the State in which the place of effective management is situated.

Expert Analysis:
Singapore:
Consistent with the Commentary on the OECD Model, the concept of profits is defined to include profits from activities that are ancillary to the operation of shipping and air transportation.
Thus, the profits covered by the Article include interest on funds connected with shipping and aircraft operations, which is therefore excluded from the scope of interest income under the treaty.
Profits also include those derived from the rental of ships and aircraft on a bareboat basis, as well as from the use, maintenance or rental of containers, if the rental, use or maintenance is incidental to such shipping and aircraft operations.
As in most of Singapore's treaties, the treaty omits the provision dealing with cases in which the effective management of a shipping enterprise is aboard a ship or boat.
The treaty also follows the common approach in Singapore's treaties of omitting the provisions dealing with the tax treatment of profits from inland waterways transport.

Article 9 Associated Enterprises

See treaty text
Usual OECD provision regarding transfer pricing
Arm's length principle applies in dealings
The treaty follows the standard provision governing secondary adjustments
Expert Analysis:
The treaty follows the standard OECD provision on transfer pricing in Article 9(1).
Thus, it endorses the application of the arm's length principle for purposes of determining the appropriate amount of profits taxable by the source State in the case of dealings between associated enterprises.
The treaty follows the standard provision governing secondary adjustments.

Article 10 Dividends

See treaty text
Treaty rate: 5% if the beneficial owner is a company (other than a partnership) which holds directly at least 25% of the capital of the company paying the dividends; - 10% in all other cases.
Domestic rates:
China
10%
Singapore
Singapore imposes no tax on dividend payments by Singapore-resident companies.
Expert Analysis:
Singapore:
In view of the full exemption of dividends from taxation under Singapore's domestic law, the treaty provisions governing the taxation of cross-border dividends are of little practical relevance for non-residents deriving dividend income from Singapore-resident companies. The provisions provide relief only for Singapore residents deriving income from the other State, if such income is taxed at a rate higher than the prescribed maximum treaty rate.

Article 11 Interest

See treaty text
Treaty rates:
7% maximum if received by a bank or financial institution; 10% maximum in all other cases
Domestic rates:
China
10%
Singapore
Singapore imposes a final withholding tax at the rate of 15% on interest derived by non-residents. A number of exemptions apply.
Expert Analysis:
Singapore:
The treaty closely follows the OECD Model provision, but with a few notable deviations apart from specifying different limits upon source State taxation.
It is standard treaty practice for Singapore to negotiate exemptions for income (mainly in the form of dividends and interest) received by the State or particular State agencies, where the treaty permits source State taxation of such income. This practice is believed to be attributable to the significant

foreign reserves held by the government. Thus, this treaty incorporates a reciprocal tax exemption for interest income derived by the Government or certain Government agencies.
As in the OECD Model, the treaty adopts the permanent establishment exception to the general treaty principle governing the taxation of interest income. However, it also refers to a fixed base used for the performance of independent personal services as a separate exception to the general principle.

Article 12 Royalties

See treaty text
Treaty rate: 10% maximum
Domestic rates:
China
10%
Singapore
Singapore imposes a final withholding tax at the standard rate of 10% on royalties derived by non-residents. A number of exemptions apply. The rate for certain types of royalties is computed differently. These include royalties derived by an inventor, author, proprietor, designer or creator of an approved intellectual property or approved innovation, or by any company in which he beneficially owns all the issued shares, for the assignment of or the rights in, the approved intellectual property or approved innovation.
Expert Analysis
In a marked departure from the OECD Model, which confers exclusive taxing rights upon the State of residence of the recipient, this treaty, as does most of Singapore's treaties, provides for shared taxation between the source and residence States.
In this connection, the standard domestic withholding rate of 10% is maintained under the treaty.
The scope of royalties under the treaty is also broader than under the OECD Model, in that it covers payments for the use of, or the right to use, films or tapes for radio or television broadcasting.
The term “royalties” as defined also includes specifically payments for the use of, or the right to use, computer software.
Like most other treaties concluded by Singapore, this treaty deviates from the OECD Model by including within the scope of royalties payments for the use of, or the right to use, industrial, commercial or scientific equipment.
In line with the provision for taxation of royalties by both States, the treaty includes a source rule for royalties, which generally follows that contained in the UN Model. As in the case of interest income, the permanent establishment exception to the principle of shared taxation also applies to situations involving a fixed base used for the performance of independent personal services, in which case exclusive taxation is assigned to the source State, with a corresponding obligation of the State of residence to provide relief from double taxation.
Finally, the treaty is among the limited number of treaties concluded by Singapore, which specifically include an anti-abuse provision, according to which the benefits fo the treaty will be denied to any person whose main purpose in creating or assigning rights in respect of which royalties are paid is to take advantage of the treaty article governing royalties.

Article 13 Capital Gains

See treaty text
Expert Analysis:
The treaty generally follows the OECD provision on this issue, with a few notable deviations.
Firstly, the treaty provides additionally for gains on movable property pertaining to a fixed base used for the performance of independent personal services, which is subject to the same principle as gains on movable property that is part of the assets of a permanent establishment. This means taxation by the State in which the enterprise or fixed base is situated.
Secondly, gains from the alienation of ships and aircraft (the treaty omits reference to boats engaged in inland waterways transport) are to be taxed by the State of residence and not the State in which the effective management of the enterprise is situated.
Capital gains are not taxed in Singapore, thus making the provisions of the tax treaty on this issue of less practical relevance for non-residents realizing such gains in Singapore. As in the case of dividends, the treaty provisions are of greater importance to Singapore residents realizing taxable gains in the other State.

Article 14 Independent Personal Services

See treaty text
Expert Analysis:

The treaty retains the separate article on the taxation of income of an individual who provides independent personal services (referred to as "professional services" in the treaty). It is based on the former OECD Model, which has since been modified to assimilate the tax treatment of such income with the treatment of business profits.
The tax treatment of such income is similar to that for business profits (i.e. the attribution of income to the fixed base from which the person performs his activities). Alternatively, the individual becomes taxable in the State if he is present in that State for a period or periods exceeding in the aggregate 183 days in any 12-month period.
The type of services covered by the provision comprise those listed in the former OECD Model version, that is, including independent scientific, literary, artistic, educational or teaching activities and the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

Article 15 Dependent Personal Services

See treaty text

The general rule applies, but remuneration for employment exercised aboard a ship or aircraft operated in international traffic is taxable by the State of residence of the operator.

Expert Analysis:

There are no significant differences between the treaty and the OECD Model.
The first main deviation relates to the reference to remuneration borne by a fixed place (i.e. apart from a permanent establishment) which an employer has in the State in which the employment is exercised.
The second main deviation from the Model is in relation to the taxation of remuneration for employment exercised aboard a ship or aircraft operated in international traffic. Here, apart from omitting the reference to boats, the treaty provides for taxation by the State of residence of the person carrying on the enterprise and not, as in the case of the Model, the place of effective management of the enterprise.

Article 16 Directors' Fees

See treaty text

The general treaty rule applies. Thus, directors' fees paid by a company resident in one State to a resident of the other State may be taxed in the State of which the company is a resident.

Expert Analysis:

The treaty follows the OECD provision on this issue, which accords the taxing right in relation to directors' fees and other similar payments to the State of which the company paying such fees is a resident. The treaty provision, which is followed in most of Singapore's treaties, is consistent with Singapore's domestic tax practice, which treats directors' fees as being from a Singapore source if the paying company is a resident of Singapore.
Under Singapore's current tax law, it may still be possible for fees paid to a non-resident director by a company that is not resident in Singapore to be considered to be from a Singapore source, where the director attends board meetings held in Singapore. This undesired effect of the tax law provisions has been removed with a clarification issued by the Inland Revenue Authority of Singapore (IRAS) on 9 March 2004. This states that fees paid to directors purely in their capacity as such by non-resident companies that are not established in Singapore will be considered to be from a source in the State of residence of the company and are therefore not taxable in Singapore.

Article 17 Artists and Sportspersons

See treaty text

General rule applies

Expert Analysis:

Singapore

Following the OECD Model provision on this issue, the treaty adopts the exception to the general provisions governing the exercise of taxing rights in relation to business and employment income, where such income is derived by visiting artistes and sportspersons from their activities in the host State. In such cases, it is accepted that the State from which the income is derived (i.e. the host State) is entitled to tax such income without limits.
Furthermore, the host State's taxing right in relation to the income derived by the artiste or sportsperson is not affected by the fact that the income accrues to another person and not directly to the artiste or sportsperson as such. Thus, the income would still be taxable by the host State regardless, for example, of the residence status of such other person. In all of the above cases, it is up to the host State to determine the manner in which to exercise its taxing right.

Article 18 Pensions

See treaty text
Exclusive taxation by the state of residence of the recipient.
Expert Analysis:
The treaty follows the OECD Model provision governing the taxation of pensions and similar remuneration relating to past employment. This means that, in principle, exclusive taxing rights in respect of such income is exercisable by the State of which the recipient is a resident, subject to the treaty provision governing government pensions.

Article 19 Government Service

See treaty text
The treaty follows the general OECD Model provision on this issue, but extends it to cover similar payments made by statutory bodies of the State.
Expert Analysis:
In accordance with the OECD Model provision on this issue, remuneration for services rendered by an individual to a government or its local authority is taxable only by the State making the payment. Under the treaty, similar payments made by a statutory body of a State are subject to the same tax treatment.
Again, following the OECD Model provision, the treaty provides alternatively for the exclusive taxation of such payments by the other Contracting State if the services are rendered to that other State by an individual who is both a resident and national of that State. However, where, in the case of remuneration, the individual became a resident of that State solely for the purpose of rendering such services, this alternative rule will not apply.
Finally, payments made for services performed by the individual in connection with a business carried on by any of the above entities, will not be subject to the principles stated above but may instead be treated in accordance with the other ordinary treaty provisions, depending on the characterization of the payments. These provisions include, in particular, those governing wages and salaries, directors' fees, income derived by artistes and sportsmen, and pensions.
Note that the principles governing the treatment of payments for services rendered to a government in a diplomatic or consular capacity supersede the above provisions. Thus, the above provisions generally cover cases which fall outside the rules governing the tax treatment of diplomats and consular agents.

Article 20 Students and Trainees

See treaty text
General rule applies.
Expert Analysis:
A student or business apprentice who is present solely for the purposes of his education or training is exempt from taxation on payments received for the purpose of his maintenance, education or training, provided the payments are from a foreign source.

Article 21 Other Income

See treaty text
Taxation by the State of source
Expert Analysis:
The treaty deviates from the OECD Model by providing for taxation of such income by the source State.

Article 22 Elimination of Double Taxation

See treaty text
China
Credit method; but
Underlying foreign tax for dividends paid by a Singapore resident company to a Chinese resident company which owns at least 20% of the shares of the paying company.
Singapore:
Ordinary credit method, but:
An underlying tax credit will be granted for dividends paid by a China-resident company to a Singapore resident company with a direct or indirect ownership of at least 10% of the share capital of the Chinese company.
Tax sparing credit
Expert Analysis:

The standard double taxation relief mechanism available under Singapore's tax laws is an ordinary credit mechanism, which limits the credit for the foreign tax to the amount of Singapore tax that would have been paid on the foreign source income, or the actual amount paid if less.
In addition to the ordinary credit method, it is part of Singapore's policy to encourage direct investments by granting an underlying tax credit for foreign tax paid by the foreign company on the profits out of which the dividends are paid to Singapore shareholder. The credit may only be claimed if the Singapore shareholder holds at least 25% of the capital of the distributing company. The treaty with China lowers this minimum shareholding threshold from 25% to 10%.
It should be noted that apart from the double taxation relief available under the treaty, tax exemptions are, subject to certain conditions, available to Singapore residents for certain types of foreign-source income that are received in Singapore. With effect from 1 January 2004, these exemptions are available to: (i) resident persons other than individuals, and (ii) resident individuals who receive the foreign income through a partnership in Singapore. The foreign income covered by the exemption comprises foreign-sourced dividends, foreign branch profits and foreign-source service income. The tax exemption is only available if the income in question (a) has been subject to tax of a similar character as the Singapore income tax, (b) the highest corporate tax rate of the foreign country in the year in which the foreign income is received in Singapore is at least 15% and (c) the Comptroller of Income Tax is satisfied that the exemption would be beneficial to the specified resident taxpayer.
These provisions, which achieve the same result of removing the incidence of double taxation for Singapore residents in respect of their foreign income, reduce the impact the treaty provisions for double taxation relief would otherwise have had and render them attractive mainly to residents who do not qualify for these exemptions.
To ensure that the broad range of tax incentives granted to attract non-resident investors for the purposes of economic development inure to the benefit of the investors and not the treasuries of their home countries, it appears to be standard Singapore tax treaty practice to negotiate tax sparing provisions of a unilateral or reciprocal nature in its treaties with other countries, especially investor home countries. These provisions treat as paid in Singapore the tax that would have been paid in Singapore on the Singapore-source income derived by the foreign resident in the absence of the tax incentive. The tax sparing provision enables the foreign resident to claim a credit in the home country for such taxes even if they are not actually paid. It ensures that the investor is the direct beneficiary of the incentive as intended, and not the treasury of its home country, which, depending on the double taxation relief mechanism it applies, may otherwise realize an increased revenue collection from the taxes foregone in Singapore. By not providing specifically for tax sparing, the treaty with Albania is one of the few exceptions to the practice of negotiating the inclusion of tax sparing provisions in Singapore's treaties.
Consequently, the treaty with China provides for a unilateral grant of tax sparing credit in respect of taxes forgone in China on income that would otherwise have been subject to tax.

Article 23 Non-Discrimination

See treaty text

The treaty makes no express provision for stateless persons.
Tax incentives granted by a State to its nationals to promote economic or social development will not be construed as discrimination

Expert Analysis:

It appears to be standard treaty policy for Singapore not to permit the extension of the benefits of its tax treaties to stateless persons.
The provisions on non-discrimination are of particular significance, to the extent that they compel Singapore to accord to foreigners the same favourable tax treatment available to its nationals. However, because of the central role the tax system plays as a tool for advancing Singapore's broad economic and social objectives. Consequently, as in this treaty, it is common for Singapore to include specifically in its treaties the right of both Contracting States to exclude non-nationals from the preferential tax treatment under their tax systems, not only on grounds of residence but also on grounds of nationality, without being considered to be in breach of the non-discrimination provision. It should be noted that the interest in restricting the benefits of preferential tax treatment to nationals generally relates to individuals and not to companies or other legal entities, which continue to receive a broad range of attractive incentives to do business in Singapore.
As an additional restriction upon the scope of application of the non-discrimination provision under this treaty, the taxes to which it applies is confined to those covered by the treaty, a position that is also commonly followed in most of the treaties concluded by Singapore.

Article 24 Mutual Agreement Procedure

See treaty text

General rules apply.

No provision is made for the settlement of unresolved issues through arbitration.

Expert Analysis:

The treaty generally follows the OECD Model provision on this issue, except in relation to the settlement of unresolved issues through arbitration, regarding which the treaty omits the Model provision.

Although there is no explicit official statement to this effect, it appears that Singapore is generally not prepared to negotiate the inclusion of arbitration provisions in its tax treaties. Consequently, in virtually none of its existing treaties in its broad treaty network includes this provision, with the only exception being the treaty with Mexico.

Article 25 Exchange of Information

See treaty text

The treaty follows the former OECD standard governing information exchange between Contracting States.

Expert Analysis:

Singapore:

The treaty follows the former version of the exchange information article and thus does not conform to the current international standard on information exchange, in particular, in:

- restricting the obligation to exchange information to taxes covered by the treaty;
- not addressing the issue of the supply of information by a requested State even where it does not need such information for its own domestic tax purposes; and
- not including the specific obligation of a requested State to supply information held by banks, financial institutions, nominees, agents or fiduciaries.

However, in pursuance of its commitment to bring its tax treaty standards in line with the current international standard on information exchange, Singapore has embarked upon the negotiation of amending protocols to existing treaties that still reflect the "old" standard on information exchange. It is thus expected that the provisions governing the exchange of information in this treaty will in due course be amended to achieve conformity with the established international standard.

Article 27 Members of Diplomatic Missions and Consular Posts

See treaty text

The standard OECD approach toward the treatment of diplomatic and consular staff is followed in the treaty.

Expert Analysis:

Singapore:

Singapore has signed and ratified the Vienna Convention on Diplomatic Relations and the Vienna Convention on Consular Relations, both of which exempt diplomatic agents, as well as consular officers and consular employees and members of their families, from all taxes in the receiving state, subject to certain limited exceptions. These provisions have been given effect in Singapore under the Diplomatic and Consular Relations Act (Cap 84). Specifically, even in the absence of a double tax treaty, the Singapore law exempts diplomatic agents and consular staff of other signatory States from all dues and taxes, personal or real, national, regional or municipal except:

- indirect taxes of a kind which are normally incorporated in the price of goods or services;
- dues and taxes on private immovable property situated in the territory of the receiving State, unless the person holds it on behalf of the sending State for the purposes of the mission;
- subject to certain conditions, any estate, succession or inheritance duties levied by Singapore; - dues and taxes on private income having its source in Singapore and capital taxes on investments made in commercial undertakings in Singapore;
- charges levied for specific services rendered; and
- subject to certain conditions, registration, court or record fees, mortgage dues and stamp duty, with respect to immovable property.

Article 28 Entry into Force

See treaty text

This Article contains the rules for bringing the treaty into force and giving effect to its provisions.

Article 29 Termination

See treaty text

The treaty remains in force until terminated by one of the States, but only after it has been in force for at least 5 years. The termination procedure requires the State initiating the process to give the other State advance notification through diplomatic channels at least six months before the end of any calendar year.