

Singapore

1. Singapore was first reviewed during the 2017/2018 peer review. This report is supplementary to Singapore's 2017/2018 peer review report (OECD, 2018^[1]). The first filing obligation for a CbC report in Singapore applies in respect of financial years beginning on or after 1 January 2017. Singapore also allows its MNE groups to file a CbC report on a voluntary basis, for reporting fiscal years beginning between 1 January 2016 and 31 December 2016 (i.e. "parent surrogate filing").

Summary of key findings

2. Singapore's implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[2]).

Part A: The domestic legal and administrative framework

3. Singapore has primary and secondary legislation in place¹ to implement the BEPS Action 13 minimum standard. Guidance has been published.²

(a) Parent entity filing obligation

4. No changes were identified with respect to the parent entity filing obligation.

5. Singapore's 2017/2018 peer review included a monitoring point in relation to a "designation provision".³ The provision will continue to be monitored.

(b) Scope and timing of parent entity filing

6. No changes were identified with respect to the scope and timing of parent entity filing.⁴

(c) Limitation on local filing obligation

7. No changes were identified with respect to the limitation on local filing obligation.⁵

(d) Limitation on local filing in case of surrogate filing

8. No changes were identified with respect to the limitation on local filing in case of surrogate filing.⁶

(e) Effective implementation

9. Singapore's 2017/2018 peer review included a general monitoring point relating to a specific process that would allow Singapore to take appropriate measures in case Singapore is notified by another jurisdiction that such other jurisdiction has reason to believe that an error may have led to incorrect or incomplete information reporting by a Reporting Entity or that there is non-compliance of a Reporting Entity with respect to its obligation to file a CbC report. Singapore reports the following update: if they are notified by another jurisdiction that there are errors in the information sent, Singapore would notify

the Reporting Entity on the error details within 3 business days. Additional time (i.e. 30 calendar days) will be given for the reporting entity to rectify the errors and submit a corrected file. Follow up email reminders will be sent if the reporting entity fails to submit the corrected file by the deadline. In addition, Singapore will investigate the claim and if it is substantiated, penalties may be imposed under Section 105M of the Income Tax Act. In view of this specific procedure, the monitoring point is removed.

10. No changes were identified with respect to the effective implementation.⁷

Conclusion

11. There is no change to the conclusion in relation to the domestic legal and administration framework for Singapore since the previous peer review. Singapore meets all the terms of reference relating to the domestic legal and administrative framework.

Part B: The exchange of information framework

(a) Exchange of information framework

12. As of 31 May 2019, Singapore has 64 bilateral relationships activated under the CbC MCAA. Within the context of its international exchange of information agreements that allow automatic exchange of information, Singapore has taken steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions.⁸ Regarding Singapore's exchange of information framework, no inconsistencies with the terms of reference were identified.

(b) Content of information exchanged

13. Singapore has processes in place that are intended to ensure that each of the mandatory fields of information as required in the CbC template are present in the information exchanged. It has provided details in relation to these processes.

(c) Completeness of exchanges

14. Singapore has processes in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC reporting template with which it should exchange information as per the relevant QCAAs. It has provided details in relation to these processes.

(d) Timeliness of exchanges

15. Singapore has processes in place that are intended to ensure that the information to be exchanged is transmitted to the relevant jurisdictions in accordance with the timelines provided for in the relevant QCAAs and terms of reference. It has provided details in relation to these processes.

16. Despite these procedures, Singapore indicates that a few CbC reports were exchanged late. Singapore has already taken steps to address the issue causing the lateness so no recommendation is required.

(e) Temporary suspension of exchange or termination of QCAA

17. Singapore has processes and written procedures in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a relevant QCAA be carried out only as per the conditions set out in the QCAA. It has provided details in relation to those processes and written procedures.

(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance

18. Singapore has processes and written procedures in place that are intended to ensure that the Competent Authority consults with the other Competent Authority prior to making a determination that there is or has been significant non-compliance with the terms of the relevant QCAA or that the other Competent Authority has caused a systemic failure. It has provided details in relation to those processes and written procedures.

(g) Format for information exchange

19. Singapore confirms that it uses the OECD XML Schema and User Guide (OECD, 2017^[31]) for the international exchange of CbC reports.

(h) Method for transmission

20. Singapore indicates that it uses the Common Transmission System to exchange CbC reports.

Conclusion

21. Singapore has in place the necessary processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework. Singapore meets all the terms of reference regarding the exchange of information.

Part C: Appropriate use

22. No changes were identified in respect of appropriate use. There were no recommendations issued in the 2017/2018 peer review.

23. No information or peer input was received for the reviewed jurisdiction suggesting any issues with appropriate use. There are no concerns to be reported in respect of appropriate use.

Conclusion

24. Singapore meets all the terms of reference relating to the appropriate use of CbC reports.

Summary of recommendations on the implementation of country-by-country reporting

Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	-
Part B	Exchange of information framework	-
Part C	Appropriate use	-

Notes

¹ Primary law consists of sections 105I, 105J, 105K, 105L, 105M, 105N, 105P of the Income Tax Act of Singapore (IRAS): <https://sso.agc.gov.sg/Act/ITA1947?ProvIds=PIXXB-#PIXXB->. Secondary legislation consists of the “Country by Country Regulations 2018” (hereafter the “CbCR regulations”), published on 5 February 2018: <https://sso.agc.gov.sg/SL/ITA1947-S75-2018?DocDate=20180205>.

² Guidance consists of the e-Tax Guide first published on 10 Oct 2016 and further revised (edition dated 7 August 2018) by the Inland Revenue Authority of Singapore: https://www.iras.gov.sg/irashome/uploadedFiles/IRASHome/e-Tax_Guides/etaxguide_Income%20Tax_Country-by-Country%20Reporting_3rd.pdf

³ The provision enables the Comptroller to issue a written notice to a prescribed person whereby this person would not need to comply in relation to the filing of the CbC reports as prescribed by law and whereby the Comptroller may give notice to one or more other Constituent Entities of the MNE group to submit a CbC report in place of the Ultimate Parent Entity (UPE). Singapore has confirmed that this provision has been applied in one case only, which is entirely consistent with the expectation of application only in exceptional cases.

⁴ Singapore’s 2017/2018 peer review included a monitoring point in relation to the ability of the Comptroller to allow a CbC report to be filed later than the filing deadline as set in the regulations. This monitoring point remains in place.

⁵ Singapore’s 2017/2018 peer review included a monitoring point whereby if local filing requirements were introduced, these requirements should comply with the terms of reference under paragraph 8 (c). This monitoring point remains in place.

⁶ Singapore’s 2017/2018 peer review included a monitoring point whereby if local filing requirements were introduced, these requirements should be deactivated in case of surrogate filing in a manner consistent with the terms of reference under paragraph 8 (d). This monitoring point remains in place.

⁷ Singapore provides for the following update in respect of effective implementation: the IRAS will identify the relevant Ultimate Parent Entities (UPEs) from databases and send filing notices to them. UPEs who receive the filing notices but are of the view that they are not required to file would need to inform IRAS of the reasons. Reminders may be sent to identified UPEs one month before their filing due dates. To ensure effectiveness, the IRAS may carry out a post-implementation review in mid-2019 to assess whether policies and procedures are working as intended. The filing obligation of the Singapore MNE is not contingent upon the receipt of a filing notice.

⁸ No inconsistency with the terms of reference will be identified where a QCAA is not in effect with one or more jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions, but this is due to circumstances that are not under the control of the reviewed jurisdiction. This may include, for example, where the other jurisdiction intends to exchange CbC reports using the MCAA but it does not have the Convention in effect for the relevant fiscal period, or where the other jurisdiction has declined to have a QCAA in effect with the reviewed jurisdiction



From:

Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2)

Inclusive Framework on BEPS: Action 13

Access the complete publication at:

<https://doi.org/10.1787/f9bf1157-en>

Please cite this chapter as:

OECD (2019), “Singapore”, in *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9d8d99a5-en>

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