

A Guide to Income Tax in Singapore

This guide presents a condensed version of the fundamental information sourced from the Inland Revenue Authority of Singapore (IRAS).

You will be treated as a tax resident for a particular Year of Assessment (YA) if you are a:

Singapore Citizen or Singapore Permanent Resident who resides in Singapore except for temporary absences; or	Foreigner who has stayed/worked in Singapore:		Foreigner who has worked in Singapore for a continuous period straddling 2 calendar years and the total period of stay is at least 183 days*. This applies to employees who entered Singapore but excludes directors of a company, public entertainers, or professionals.
	a. For at least 183 days in the previous calendar year; or	b. Continuously for 3 consecutive years, even if the period of stay in Singapore may be less than 183 days in the first year and/or third year; or	

*including your physical presence immediately before and after your employment

If you do not meet the conditions stated above, you will be treated as a non-resident of Singapore for tax purposes.

Resident Tax Rates from YA 2024 Onwards

Chargeable Income	Income Tax Rates (%)	Gross Tax Payable (\$)
First \$20,000 Next \$10,000	0 2	0 200
First \$30,000 Next \$10,000	- 3.50	200 350
First \$40,000 Next \$40,000	- \$7	550 2,800
First \$80,000 Next \$40,000	- 11.5	3,350 4,600
First \$120,000 Next \$40,000	- 15	7,950 6,000
First \$160,000 Next \$40,000	- 18	13,950 7,200
First \$200,000 Next \$40,000	- 19	21,150 7,600
First \$240,000 Next \$40,000	- 19.5	28,750 7,800
First \$280,000 Next \$40,000	- 20	36,550 8,000
First \$320,000 Next \$180,000	- 22	44,550 39,600
First \$500,000 Next \$500,000	- 23	84,150 115,000
First \$1,000,000 excess of \$1,000,000	- 24	199,150

Non-Resident Tax Rates

Taxes on employment income

Non-residents' employment income is taxed at either a flat rate of 15% or the higher amount determined by the progressive resident tax rates, whichever results in a higher tax amount.

Taxes on director's fee, consultation fees and all other income

Non-resident individuals face a 22% tax rate, covering all income types such as rental income from properties, pension, and director's fees. However, this rate excludes employment income and specific income subject to reduced withholding rates.



From 2024 onwards, non-resident individuals will see an increase in their income tax rate, rising from 22% to 24%, excluding employment income and specific income subject to reduced withholding rates

Withholding taxes on income of non-resident individuals

Non-resident individuals' specific income faces withholding tax, with rates varying based on the income type and relevant tax year.

Type of Income	Withholding tax rate (YA 2017 to YA 2023)	Withholding tax rate (From YA 2024 onwards)
1. Remuneration including director's fees received by non-resident directors	22%	24%

2. Income received by non-resident professionals (e.g. consultants, trainers and coaches) for services performed in Singapore	15% of gross income or 22% of net income	15% of gross income or 24% of net income
3. Income received by non-resident public entertainers for services performed in Singapore	10% concessionary rate up to 31 Mar 2022; 15% concessionary rate from 1 Apr 2022	15% concessionary rate
4. SRS withdrawals received by non-Singapore SRS account holders	22%	24%
5. Interest, commission, fee or other payment in connection with any loan or indebtedness**	15% reduced final withholding tax rate (subject to conditions) or 22% if reduced withholding tax rate is not applicable	15% reduced final withholding tax rate (subject to conditions) or 24% if reduced withholding tax rate is not applicable
6. Royalty or other lump sum payments for the use of movable properties**	10% reduced final withholding tax rate (subject to conditions) or 22% if reduced withholding tax rate is not applicable	10% reduced final withholding tax rate (subject to conditions) or 24% if reduced withholding tax rate is not applicable

What is taxable, and what is not?

As a rule, all income earned or derived from Singapore will incur income tax.

Sources of Income



Job Income

Trade

Businesses

Investment

Property

Trust Income

Winnings

Overseas income that is received in Singapore will not incur income tax. However, there are several exemptions to this:

1

If your overseas income is earned through partnerships in Singapore

2

If you are required to travel overseas due to your job requirements in Singapore

3

If you are employed overseas on behalf of the Singapore government

4

If you have a business in Singapore and you are operating overseas as part of this business

5

If there is a Double Taxation Agreement (DTA) between Singapore and the foreign country or there is a provision for reciprocal exemption by both Singapore and the foreign government, you will not be taxed in the foreign country

6

If you are taxed in the foreign country, you can apply for tax remission in Singapore to avoid being taxed twice on the same income

Deductibles Available for Individuals



Individuals



Sole-Proprietors
Self-Employed
Partners



Angel Investors
Tax Deduction
Scheme



Married Couples
Families



Rental Expenses



Personal Income
Tax Relief Cap



Employees



Donations



Rebates

Case Studies - Personal Income Tax Relief Cap

A personal income tax relief cap of \$80,000 applies to the total amount of all tax reliefs claimed for each Year of Assessment. This means that if the total amount of reliefs claimed by an individual exceeds the cap, the amount of tax reliefs claimable will be capped at \$80,000.

A

Tax Reliefs Claimed
< \$80,000

Taxpayer A has earned an income of \$160,000 and is considered a tax resident in the Year of Assessment 2024.

Taxpayer A has claimed personal reliefs totalling to \$79,590.

However, as this is less than \$80,000, she is **not** the relief cap and her chargeable income is now \$80,410 (\$160,000-\$79,590).

B

Tax Reliefs Claimed
> \$80,000

Taxpayer B has earned an income of \$100,000 and is considered a tax resident in the Year of Assessment 2024.

Taxpayer B has claimed personal reliefs totalling to \$83,190.

As this exceeds the cap, the total amount of personal reliefs she can claim is capped at \$80,000. Her chargeable income is now \$20,000 (\$100,000-\$80,000)

However, as the first \$20,000 is not chargeable, the tax payable is still \$0.