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Part 1: Regulatory and Business

1.1 MOF and ACRA issue public consultation documents on the second part of the draft Companies (Amendment) Bill, and additional proposed amendments to the Companies Act

On 23 October 2013, the Ministry of Finance (MOF) and the Accounting and Corporate Regulatory Authority (ACRA) announced that they would like to seek public feedback on:

(i) the second part of the draft Companies (Amendment) Bill, which covers legislative amendments relating to:

⇒ foreign companies; and

⇒ other aspects of the Companies Act; and

(ii) public feedback on three new areas under review, namely:

⇒ liberalising the share buyback limit in the Companies Act to allow a Singapore-incorporated company to have greater flexibility in buying back its shares;

⇒ issues relating to priority payment to an employee of an insolvent company, in response to suggestions that the salary cap for priority payment should be updated; and

⇒ phasing out the transitional arrangement under section 66 of the Companies Act for bearers of share warrants issued prior to 29 December 1967. The transitional arrangement allows bearers of share warrants to surrender the share warrants and have their names entered into the company register as registered members. Feedback is also being sought on appropriate methods for phasing out any outstanding share warrants.



Second part of Draft Companies (Amendment) Bill - Legislative amendments relating to foreign companies

From June to October 2011, MOF and ACRA conducted a public consultation on 40 recommendations relating to the regulatory framework for foreign companies. After considering the public feedback received, MOF and ACRA have agreed to retain 32 recommendations, modify 7 and drop 1 recommendation. Of the recommendations to be implemented, two key ones are to:

⇒ enhance the continuing disclosure requirements and accountability for financial reporting by foreign companies; and

⇒ introduce new grounds for striking off foreign companies.

Second part of Draft Companies (Amendment) Bill - Legislative amendments to other aspects of the Companies Act

MOF and ACRA also propose other legislative amendments to simplify filing and regulatory processes, and enhance the ability of the Registrar of Companies to hold non-compliant companies, directors and company secretaries more accountable. Changes are also proposed to update and clarify existing provisions. Some key changes include:

⇒ enhancing the Registrar's powers to rectify errors in the register;

⇒ enhancing the circumstances for when the Registrar may determine that a company is not carrying on business and may be struck off ; and introducing powers to allow the Registrar to debar any director or company secretary of a company in default of lodgement obligations from taking on any new appointment as a director or company secretary.

Please click here for further information and to access the consultation documents. The public consultation exercise runs from 23 October to 19 November 2013.



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Part 1: Regulatory and Business (continued)

1.2 MAS consults on proposals to facilitate better understanding of prospectuses

On 14 October 2013, the Monetary Authority of Singapore (MAS) released a consultation paper on proposed enhancements to the current rules relating to prospectus disclosures for offers of securities. The proposals aim to improve the readability of prospectuses and facilitate better understanding by investors of key information presented in prospectuses, and make prospectuses more accessible to retail investors.

The proposals set out in the consultation paper are as follows:

a. extend the existing requirements for a Product Highlights Sheet (PHS) to offers of debt securities, hybrid instruments and equity securities, with the following modifications:

⇒ increase the page limit of a PHS for hybrid instruments and equity securities to 8 pages (or 12 pages including diagrams and glossary) to allow for the inclusion of a wider array of information in respect of such products;

⇒ adopt a "Question and Answer" format for equity securities PHS;

b. permit certain information contained in a separate document outside the prospectus to be incorporated in the prospectus by reference to the separate document; and

c. develop a regulatory guide to highlight common drafting problems and encourage good drafting practices for prospectuses.

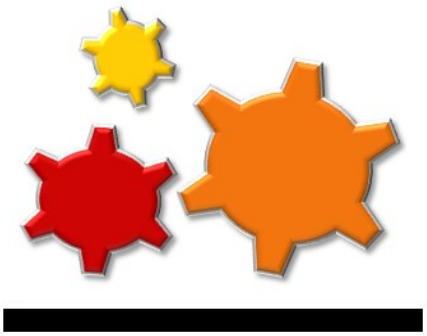
Please click here to access the consultation paper. Interested parties may email their comments to PartXIIISFA_SFR_amendments@mas.gov.sg by 14 November 2013.

Part 2: Auditing and Assurance

ISCA issues ED on AGS 5 (Revised)

The Institute of Singapore Chartered Accountants (ISCA) has published an exposure draft (ED) on Audit Guidance Statement (AGS) 5 (Revised), *Audits of Entities in Specific Industries, Professions and Vocations which* provides guidance to auditors in the audits of solicitors' accounts, charities and trade unions. As the relevant legislations for these industries have been revised, AGS 5 would need to be updated accordingly to ensure that the guidance provided therein is updated and relevant.

Please click here to access the ED. Comments on the ED are welcomed by ISCA and should be submitted to ISCA at technical@isca.org.sg by **13 November 2013, 5:00 PM.**



Part 3: Taxation

The Singapore Institute of Accredited Tax Professionals (SIATP) has issued the following Tax Alerts on its website (http://www.siatp.org.sg/index.php/tax-news) since the previous issue of the RT Review Times (2013/10):

- MOF Response on the Request for the Waiver of GST on Medishield Premiums (21 Oct 2013) *[Read more]*
- MOF Response on Extending the Waiver of GST on Medical Consumables for Kidney Dialysis to All Patients (21 Oct 2013) *[Read more]*
- Updated Content on How to Calculate Foreign Tax Credit (FTC) (18 Oct 2013) *[Read more]*
- Updated Content on Productivity and Innovation Credit (PIC) (14 Oct 2013)
  - ⇒ Six Qualifying Activities under PIC *[Read more]*
  - ⇒ Common Mistakes to Avoid *[Read more]*
- e-Learning Guide on e-Filing of Form C-S (11 Oct 2013) *[Read more]*
- Updates on Application for Approval of Equipment for PIC (11 Oct 2013) *[Read more]*
- Updates on Minimum Ownership Period for PIC IT and Automation Equipment and Intellectual Property Rights (IPRs) (11 Oct 2013) *[Read more]*
- FAQs on Overview of PIC (11 Oct 2013) *[Read more]*
- FAQs on PIC IT and Automation Equipment; and Training of Employees (11 Oct 2013) *[Read more]*
- FAQs on Intellectual Property Rights (IPR) (11 Oct 2013) *[Read more]*
- FAQs on Cash Payout (11 Oct 2013) *[Read more]*
- Updated Form for PIC Disposal of Qualifying Assets (11 Oct 2013) *[Read more]*
- Stamp Duties (Lease Buyback Scheme) (Remission) Rules 2013 (11 Oct 2013) *[Read more]*
- Singapore and the Luxembourg Revise Agreement for the Avoidance of Double Taxation (9 Oct 2013) *[Read more]*
- Revised GST e-Tax Guide on Motor Vehicle Traders (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Divisional Registration (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Imports (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Construction Industry (English version) (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Group Registration (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Non-Business Receipts – Business Tests and the Effect of Non-Business Receipts on Input Tax Claims (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Self-Accounting of GST by Listed REITs and their SPVs for Property Purchases (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Approved Marine Fuel Trader (AMFT) Scheme (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Supply of Electricity to Master-Metered and Sub-Metered Consumers (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Treatment of Web-Hosting Services and Server Co-location Services (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Hand-Carried Exports Scheme (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Concession for REITS and Qualifying Registered Business Trusts Listed in Singapore (30 Sep 2013) *[Read more]*
- Revised GST e-Tax Guide on Exchange Rates For GST Purpose (30 Sep 2013) *[Read more]*

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