

Singapore

Transfer Pricing Country Profile¹

July 2025

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework² make reference to the arm's length principle?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Taxpayers are required to comply with the arm's length principle. If they fail to do so, they are subject to a surcharge based on 5% of the transfer pricing adjustment made by the Comptroller.</p> <p>Singapore's domestic transfer pricing framework includes:</p> <ol style="list-style-type: none">1. Domestic tax law on complying with the arm's length principle and transfer pricing documentation requirement as provided in the Income Tax Act 1947.2. Rules on preparing transfer pricing documentation as provided in the Income Tax (Transfer Pricing Documentation) Rules 2018.3. Guidelines on complying with the arm's length principle and transfer pricing documentation requirement as provided in the Singapore Transfer Pricing Guidelines. In addition, there are Guidelines on specific topics:<ol style="list-style-type: none">a) Singapore Transfer Pricing Guidelines (Special Topic) – Commodity Marketing and Trading Activities	<p>Arm's length principle is provided under Section 34D of the Income Tax Act 1947</p> <p>Surcharge is provided under Section 34E of the Income Tax Act 1947</p> <p>Income Tax Act 1947 is available at this link</p> <p>Income Tax (Transfer Pricing Documentation) Rules 2018 are available at this link</p> <p>Singapore Transfer Pricing Guidelines are available at this link</p> <p>Singapore Transfer Pricing Guidelines (Special Topic) – Commodity Marketing and Trading Activities are available at this link</p> <p>Singapore Transfer Pricing Guidelines (Special Topic) – Centralised Activities in Multinational Enterprise Groups are available at this link</p>

¹ Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

² For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

		<p>b) Singapore Transfer Pricing Guidelines (Special Topic) – Centralised Activities in Multinational Enterprise Groups</p> <p>These Guidelines are provided outside of the domestic tax law.</p>	
2	<p>Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Singapore generally takes guidance from the OECD Transfer Pricing Guidelines. This is mentioned in the Singapore Transfer Pricing Guidelines which largely follow the key principles laid down in the OECD Transfer Pricing Guidelines.</p> <p>The Singapore Transfer Pricing Guidelines help taxpayers in Singapore on complying with the arm's length principle and transfer pricing documentation requirement when transacting with their related parties and lay down expectations and practices that are specifically relevant to them, for example:</p> <ol style="list-style-type: none"> 1) The process to observe when making an application for advance pricing arrangement and mutual agreement procedure (see item 33 below). 2) The simplification measures, such as 5% mark-up for routine support services (see item 24 below) and the indicative margin for related party loans (see item 39 below) which taxpayers in Singapore can choose to apply. 3) The circumstances under which year-end true up adjustments are allowable under the domestic tax law (see items 40 and 41 below). 	Singapore Transfer Pricing Guidelines
3	<p>Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Related party is defined as follows:</p> <p>Related party, in relation to a person (A), means any person —</p> <ol style="list-style-type: none"> (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person <p>Person is defined to include a company, body of persons and a Hindu joint family.</p>	Section 2 of the Income Tax Act 1947

		Control is not defined and there is no control or ownership threshold provided in the domestic tax law for purpose of determining related party.													
Transfer Pricing Methods															
4	Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If affirmative, please check those provided for in your domestic transfer pricing framework:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>CUP</th><th>Resale Price</th><th>Cost Plus</th><th>TNMM</th><th>Profit Split</th><th>Other (<i>If so, please describe</i>)</th></tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr> </tbody> </table>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (<i>If so, please describe</i>)	<input checked="" type="checkbox"/>	Section 5 of the Singapore Transfer Pricing Guidelines					
CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (<i>If so, please describe</i>)										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
5	Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other (<i>if so, please explain</i>)</p>	Section 5 of the Singapore Transfer Pricing Guidelines												

		<p>The Singapore Transfer Pricing Guidelines cover selecting the most appropriate method to determine the arm's length price for a related party transaction. In addition, Singapore takes guidance from the OECD Transfer Pricing Guidelines.</p>	
6	Does your domestic transfer pricing framework contain specific guidance on commodity transactions?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed.</p> <p><input type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (<i>if so, please explain</i>)</p> <p><input type="checkbox"/> No</p>	Singapore Transfer Pricing Guidelines (Special Topic) – Commodity Marketing and Trading Activities
Comparability Analysis			
7	Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	Section 5 of the Singapore Transfer Pricing Guidelines
<p>The Singapore Transfer Pricing Guidelines cover comparability analysis. In addition, Singapore takes guidance from the OECD Transfer Pricing Guidelines.</p>			
8	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	Section 5 of the Singapore Transfer Pricing Guidelines
<p>As far as possible, taxpayers are to use local comparables in their comparability analysis. When taxpayers are unable to find sufficient reliable local comparables, they may expand their search to regional comparables. Taxpayers are to include the basis of selecting the comparables in their transfer pricing documentation.</p>			

9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Section 5 of the Singapore Transfer Pricing Guidelines
		<p>The use of a range of prices or margins is acceptable. The Singapore Transfer Pricing Guidelines provide that:</p> <ul style="list-style-type: none"> • A wide range of prices or margins may suggest the existence of comparability issues or defects that cannot be identified and/ or quantified in the comparability analysis. In such a situation where comparability adjustment is not possible, to enhance the reliability of the comparability analysis, outliers such as the minimum and maximum data points should be excluded and taxpayers are to apply the interquartile range to determine the arm's length remuneration. • A full range (i.e. from minimum to maximum) may occasionally be considered as the arm's length price range when all the points in the range can be established to be equally reliable. An example of such a circumstance is where the taxpayer has applied the CUP method and demonstrated that all observations in the full range are equally reliable. 	
Intangible Property			
12	Does your domestic transfer pricing framework contain guidance specific	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG? <input checked="" type="checkbox"/> Yes	Section 19B and Section 34D of the Income Tax Act 1947

	<p>to the pricing of controlled transactions involving intangibles?</p>	<p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p> <p>The Income Tax Act 1947 requires that the capital expenditure incurred for intellectual property rights for the purpose of writing-down allowances must be based on open-market price (Section 19B) and related party transactions, including those involving intangibles, must be conducted at arm's length (Section 34D). In addition, Singapore takes guidance from Chapter VI of the OECD Transfer Pricing Guidelines.</p>	
13	<p>Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Singapore takes guidance from Chapter VI of the OECD Transfer Pricing Guidelines.</p>	-
Hard-to-Value Intangibles			
14	<p>Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)?³</p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p> <p>As mentioned under item 12 above, the Income Tax Act 1947 requires that the capital expenditure incurred for intellectual property rights for the purpose of writing-down allowances must be based on open-market price (Section 19B) and related party transactions involving intangibles must be conducted at arm's length (Section 34D). In the event that such intellectual property rights or intangibles are HTVI, Singapore would take guidance from Section D.4 and Annex II of Chapter VI of the OECD Transfer Pricing Guidelines.</p>	-
15	<p>If your jurisdiction applies the HTVI approach, what are the conditions for</p>	<p>Singapore takes guidance from Section D.4 and Annex II of Chapter VI of the OECD Transfer Pricing Guidelines.</p>	-

³ In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

	the application of the HTVI approach?		
16	Are transactions falling within the scope of the HTVI approach subject to a transfer pricing analysis different from the one established in Chapters I and VI, or to other compliance requirements specifically applicable to transfer prices (e.g. domestic anti-abuse rules)?	No. Singapore takes guidance from Section D.4 and Annex II of Chapter VI of the OECD Transfer Pricing Guidelines.	-
17	What is the statute of limitations applicable to transactions falling within the scope of the HTVI approach in your domestic transfer pricing framework? Does this statute of limitations differ from those applicable to other transactions?	Singapore has a statute of limitation of four years to make assessments to raise additional tax. The statute of limitation applies regardless of the kinds of transactions. There is no statute of limitation to make assessments to discharge or reduce tax or where fraud or wilful default has been committed.	Section 74 of the Income Tax Act 1947
18	Can taxpayers request a bilateral or multilateral advance pricing agreement (“APA”) for transactions falling within the scope of the HTVI approach under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Taxpayers can request a bilateral or multilateral advance pricing agreement (“APA”) for transactions falling within the scope of the HTVI approach so long as it is permitted under the relevant treaty and taxpayers have complied with the APA process stated in the Singapore Transfer Pricing Guidelines.</p>	Sections 10 and 12 of the Singapore Transfer Pricing Guidelines
19	What measures exist or approaches have been adopted to avoid the use of hindsight (e.g. training of tax administrators, internal circulars/informative notes)?	Training of tax administrators and taking guidance from the OECD Transfer Pricing Guidelines.	-
20	Is it possible for your tax administration to make adjustments under the HTVI approach in open years for amounts pertaining to closed years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-

21	<p>Does your domestic transfer pricing framework allow the tax administration to make corresponding adjustments under the HTVI approach in open years for amounts pertaining to closed years?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>The statute of limitation of four years mentioned in item 17 above does not apply to assessments made to effect the corresponding adjustments agreed under a MAP agreement with a foreign tax authority. As such, Singapore is able to make corresponding adjustments under the HTVI approach in their respective years (both closed and open years).</p>	Section 74(2A) of the Income Tax Act 1947
22	<p>Is it possible for your tax administration to make several adjustments for one single HTVI transaction under the HTVI approach?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>In general, as long as the adjustments are made within the statute of limitation, the domestic tax law does not prevent Singapore from making several adjustments for a single transaction. However, as good practice and to give certainty to our taxpayers, Singapore endeavours to avoid making several adjustments to a single transaction.</p>	-
Intra-group Services			
23	<p>Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?</p>	<p><input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p>	Section 14 of the Singapore Transfer Pricing Guidelines
		<p>The Singapore Transfer Pricing Guidelines cover transfer pricing specific to intra-group services transactions. In addition, Singapore takes guidance from Chapter VII of the OECD Transfer Pricing Guidelines.</p>	
24	<p>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</p>	<p><input checked="" type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input type="checkbox"/> No</p>	<p>Income Tax (Transfer Pricing Documentation) Rules 2018</p> <p>Section 14 of the Singapore Transfer Pricing Guidelines</p>

	<p>Taxpayers can choose to apply the 5% cost mark-up for routine support services as an alternative to performing detailed transfer pricing analysis provided:</p> <ul style="list-style-type: none"> a) The services fall within the list of routine support services prescribed under the Income Tax (Transfer Pricing Documentation) Rules 2018; b) The service provider does not offer the same routine support services to an unrelated party; and c) All costs including direct, indirect and operating costs relating to the routine support services performed are taken into account in computing the 5% cost mark-up. <p>In the event the service does not fall within the prescribed list of routine support services as required under (a) above, taxpayers may apply the 5% profit mark-up under the OECD simplified approach on low value-adding intra-group services in Chapter VII of the OECD Transfer Pricing Guidelines provided:</p> <ul style="list-style-type: none"> a) The service met the definition of low value-adding intra-group services for the OECD simplified approach; b) The service is not specifically excluded as low value-adding intra-group service for the OECD simplified approach; c) The tax authority of the other party to the service has similarly adopted the OECD simplified approach; d) The service provider does not offer the same service to an unrelated party; and e) All costs including direct, indirect and operating costs relating to the service performed are taken into account in computing the 5% profit mark-up. 	
25	<p>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Financial Transactions		
26	<p>Does your domestic transfer pricing framework provide guidance specific to financial transactions?</p>	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below)

		<input type="checkbox"/> No <p>The Singapore Transfer Pricing Guidelines cover transfer pricing specific to financial transactions. Reference is made to Chapter X of the OECD Transfer Pricing Guidelines.</p>	
27	Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? (e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-
Cost Contribution Arrangements			
28	Does your domestic transfer pricing framework allow cost contribution arrangements?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Section 17 of the Singapore Transfer Pricing Guidelines
Transfer Pricing Documentation			
29	Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p><i>If affirmative, please check all that apply:</i></p> <input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG	Transfer pricing documentation - Section 34F of the Income Tax Act 1947 - Income Tax (Transfer Pricing Documentation) Rules 2018 - Section 6 of the Singapore Transfer Pricing Guidelines

	<p><input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return)</p> <p><input checked="" type="checkbox"/> Other (specify):</p> <p>The domestic tax law requires taxpayers with gross revenue from their trade or business exceeding SGD 10 million to prepare transfer pricing documentation unless they are exempt from doing so (see item 32 below). The transfer pricing documentation must contain information at Entity level and Group level as prescribed under the Income Tax (Transfer Pricing Documentation) Rules 2018. The prescribed information at Entity level and Group level is largely similar to the OECD Local file and Master file respectively. If taxpayers have prepared similar transfer pricing documentation (for example, OECD master file and local file) for the purpose of complying with the requirements of other tax jurisdictions, such documentation, if relevant to the business operations in Singapore, may form part of the transfer pricing documentation for Singapore tax purposes. Taxpayers are encouraged to prepare transfer pricing documentation even if they are not required to do so to better manage their transfer pricing risk.</p> <p>The requirement for Country-by-Country Report (“CbCR”) is provided under the domestic tax law and subsidiary legislation.</p>	<p>CBCR:</p> <ul style="list-style-type: none"> - Part 20B of the Income Tax Act 1947 - Income Tax (International Tax Compliance Agreements) (Country-By-Country Reporting) Regulations 2018 is available at this link 	
30	<p>Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)</p>	<p>Singapore adopted the three-tiered approach to transfer pricing documentation, i.e.</p> <ol style="list-style-type: none"> a) Transfer pricing documentation at Group level which is largely similar to the OECD Master file, b) Transfer pricing documentation at Entity level which is largely similar to the OECD Local file, and c) CbCR which is largely similar to the OECD CbCR, including the filing and notification process. <p>The transfer pricing documentation must be prepared in English (or translated to English) no later than the time for the making of the tax return for the financial year in which the transaction takes place. It must be submitted within 30 days upon request by the Inland Revenue Authority of Singapore (“IRAS”). Taxpayers must retain the transfer pricing documentation for at least five years from the year in which the transaction took place.</p>	<p>Transfer pricing documentation</p> <ul style="list-style-type: none"> - Section 34F of the Income Tax Act 1947 - Income Tax (Transfer Pricing Documentation) Rules 2018 - Section 6 of the Singapore Transfer Pricing Guidelines <p>CBCR:</p> <ul style="list-style-type: none"> - Part 20B of the Income Tax Act 1947 - Income Tax (International Tax Compliance Agreements) (Country-By-Country Reporting) Regulations 2018 - IRAS e-Tax Guide on Country-by-Country Reporting is available at this link

		<p>The Income Tax (Transfer Pricing Documentation) Rules 2018 prescribe the rules relating to the preparation of and exemption from transfer pricing documentation while the Singapore Transfer Pricing Guidelines explain the requirements.</p> <p>IRAS e-Tax Guide on Country-by-Country Reporting explains the requirements for preparing and submitting CbCR.</p>	
31	Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Taxpayers which do not comply with the transfer pricing documentation requirements shall be liable to a fine not exceeding SGD 10,000 under Section 34F of the Income Tax Act 1947. Taxpayers which do not comply with the CbCR requirements shall be liable to fine of varying amount depending on the offence under Section 105M of the Income Tax Act 1947.</p>	Section 34F and Section 105M of the Income Tax Act 1947
32	Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Exemption from transfer pricing documentation is provided under the domestic law and prescribed in the Income Tax (Transfer Pricing Documentation) Rules 2018. The following related party transactions are exempt from transfer pricing documentation:</p> <ol style="list-style-type: none"> 1) related party domestic transaction subject to the same tax rate, 2) related party loan where the indicative margin is applied (see item 39 below), 3) routine support services where the 5% cost mark-up is applied (see item 24 above), 4) related party transaction covered by an advance pricing arrangement and 5) related party transaction not exceeding certain value. <p>The Singapore Transfer Pricing Guidelines explain the exemption.</p>	Section 34F of the Income Tax Act 1947 Income Tax (Transfer Pricing Documentation) Rules 2018 Section 6 of the Singapore Transfer Pricing Guidelines

Administrative Approaches to Avoiding and Resolving Disputes

33	Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?	<p>Please check those that apply:</p> <p><input type="checkbox"/> Rulings</p> <p><input checked="" type="checkbox"/> Enhanced engagement or cooperative compliance programmes</p>	Sections 10 to 12 of the Singapore Transfer Pricing Guidelines
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	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Advance Pricing Agreements (APA) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Unilateral APAs <input checked="" type="checkbox"/> Bilateral APAs <input checked="" type="checkbox"/> Multilateral APAs <input checked="" type="checkbox"/> International Compliance Assurance Programme (ICAP) <input checked="" type="checkbox"/> Mutual Agreement Procedures <input type="checkbox"/> Other (<i>please specify</i>): 	<p>Singapore's MAP Profile is available at the IRAS website (www.iras.gov.sg) or at OECD website at this link.</p> <p>Information relating to Singapore's participation in ICAP is available at the IRAS website (www.iras.gov.sg)</p> <p>IRAS e-Tax Guide on Avoidance of Double Taxation Agreements (DTA) is available at this link</p>
	<p>Taxpayers may apply for a MAP and an APA as provided in the relevant Avoidance of Double Taxation Agreements ("DTAs") for bilateral and multilateral APA or the domestic tax law for unilateral APA. When applying for a MAP or an APA, taxpayers are to observe the process sets out in the Singapore Transfer Pricing Guidelines. The process covers who can apply, when to apply and how to apply for a MAP or an APA, etc. Information relating to the process has also been provided in the Singapore's MAP profile.</p> <p>Generally, an APA covers three to five future financial years ("covered period") and no more than two prior years ("roll-back years") provided there is no significant difference in the facts and circumstances between the covered period and the roll-back years. No roll-back year is allowed for unilateral APA.</p> <p>Singapore has been participating in the ICAP since 2021 to provide tax certainty to taxpayers.</p>	

Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities

34	<p>Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG⁴?</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other (please elaborate) 	-
<p>The application of the simplified and streamlined approach for baseline marketing and distribution activities is under consideration.</p>			

⁴ In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded "no" to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction's transfer pricing country profile.

35	<p>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach, how is it implemented?</p>	<p><input type="checkbox"/> In-scope tested parties resident within the jurisdiction can elect to apply the simplified and streamlined approach (i.e. safe harbour)</p> <p><input type="checkbox"/> In-scope tested parties resident within the jurisdiction are required to follow the simplified and streamlined approach for in-scope qualified transactions and tax administrations are allowed to impose the application of the simplified and streamlined approach to in-scope qualified transactions of tested parties resident within their jurisdiction (i.e. rule)</p> <p><input checked="" type="checkbox"/> N/A</p> <p>The application of the simplified and streamlined approach for baseline marketing and distribution activities is under consideration.</p>	-
36	<p>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach, what is the operating expense to sales (OES) upper bound chosen by your jurisdiction regarding scoping criterion 13.b?</p>	<p><input type="checkbox"/> 20%</p> <p><input type="checkbox"/> 30%</p> <p><input type="checkbox"/> Other (please specify)</p> <p><input checked="" type="checkbox"/> N/A</p> <p>The application of the simplified and streamlined approach for baseline marketing and distribution activities is under consideration.</p>	-
37	<p>Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	-
38	<p>If your domestic transfer pricing framework allows the application of the simplified and streamlined approach for resident in-scope tested parties, does your jurisdiction respect the outcome of the application of such approach by another jurisdiction that is not a covered jurisdiction?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>The application of the simplified and streamlined approach for baseline marketing and distribution activities is under consideration.</p>	-

Safe Harbours and Other Simplification Measures

39	<p>Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>In addition to the 5% cost mark-up for routine support services mentioned in item 24 above, Singapore has the following simplification measures:</p> <ol style="list-style-type: none"> 1) Use of indicative margin published yearly on IRAS website to derive interest rate. Taxpayers simply add the indicative margin to their choice of an appropriate base reference rate to derive the interest rate. The purpose of the indicative margin is to ease taxpayers' compliance effort in determining the credit margin for bearing the credit risk of default by the borrower. 2) No cost mark-up for cost-pooling arrangement. A service provider may charge its related party for its proportionate share of the cost of services without a mark-up under a cost-pooling arrangement on the conditions that: <ol style="list-style-type: none"> a) Each participant's share of the costs must be borne in the form of cash or other monetary contributions; b) The services are not provided to any unrelated party; c) The provision of services to the related parties is not the service provider's principal activity, i.e. the costs of providing the services do not exceed 15% of the service provider's total expenses; d) The services fall within the list of routine support services prescribed under the Income Tax (Transfer Pricing Documentation) Rules 2018; and e) There is transfer pricing documentation for the arrangement. 3) No cost mark-up for pass-through cost. A service provider may pass on the costs of services that it acquired from other service providers (whether independent or related) to its related parties without a mark-up on the conditions that: <ol style="list-style-type: none"> a) The acquired services are for the benefit of the related parties; b) The acquired services have been charged at arm's length; c) The group service provider is merely the paying agent and does not enhance the value of the acquired services; and d) The liabilities relating to the acquired services are assumed by the related parties. 	<p>Income Tax (Transfer Pricing Documentation) Rules 2018</p> <p>Sections 14 and 15 of the Singapore Transfer Pricing Guidelines</p>
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Other Legislative Aspects or Administrative Procedures

40	<p>Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>Section 13 of the Singapore Transfer Pricing Guidelines</p>
41	<p>Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?</p>	<p><input type="checkbox"/> Yes. Year-end adjustments are required. <input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed. <input type="checkbox"/> No</p> <p>Singapore will accept year-end adjustments made by taxpayers to ensure that their tax-reported results are consistent with the arm's length prices stated in their transfer pricing analyses and policies when the following conditions are met:</p> <ol style="list-style-type: none"> Taxpayers must have in place transfer pricing analyses and contemporaneous transfer pricing documentation to establish the arm's length prices; Taxpayers should make the year-end adjustments symmetrically in the accounts of the affected related parties. This is to avoid double taxation or double non-taxation; and Taxpayers must make the adjustments before filing their tax returns. 	<p>Section 13 of the Singapore Transfer Pricing Guidelines</p>
42	<p>Does your domestic transfer pricing framework provide for secondary adjustments?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>-</p>

Attribution of Profits to Permanent Establishments

43	<p>Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?</p>	<p><input checked="" type="checkbox"/> Article 7 as it read before 2010.</p> <p><input checked="" type="checkbox"/> If so, please indicate in how many treaties: All the Singapore's treaties</p> <p><input type="checkbox"/> Article 7 as it reads after 2010.</p> <p><input type="checkbox"/> If so, please indicate in how many treaties:</p> <p><input type="checkbox"/> Other (please provide additional details)</p>	<p>A list of Singapore's treaties is available at the IRAS website (www.iras.gov.sg)</p>
44	<p>For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)</p> <p>Singapore's tax treaties do not contain the Article 7 as it reads after 2010. As such, Singapore does not apply the authorised OECD approach ("AOA").</p> <p>When determining the profits attributable to a permanent establishment ("PE"), Singapore applies the relevant tax treaty and the basic principle that the profits attributable to a PE are those that the PE would have derived if it were a separate and independent enterprise engaged in the same or similar activities under the same or similar conditions (2018 OECD Additional Guidance on the Attribution of Profits to Permanent Establishments referred), together with the Singapore and OECD Transfer Pricing Guidelines.</p>	<p>Section 16 of the Singapore Transfer Pricing Guidelines</p>
45	<p>Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.</p>	<p><input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules)</p> <p><input checked="" type="checkbox"/> No</p> <p>Singapore applies the approach mentioned in item 44 above. Where the activities performed by a taxpayer for its foreign related party create for the foreign related</p>	<p>Section 16 of the Singapore Transfer Pricing Guidelines</p>

	<p>party a PE in Singapore, Singapore considers no further attribution of profits to the PE on the conditions that:</p> <ul style="list-style-type: none"> a) The taxpayer receives an arm's length remuneration from its foreign related party that is commensurate with the functions performed, assets used and risks assumed by the taxpayer; b) The remuneration paid by the foreign related party to the taxpayer is supported by transfer pricing documentation to demonstrate compliance with the arm's length principle; and c) The foreign related party does not perform any functions, use any assets or assume any risks in Singapore, other than those arising from the activities carried out by the taxpayer. 	
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Other Relevant Information

46	<p>Other legislative aspects or administrative procedures regarding transfer pricing</p>	<p>The Singapore Transfer Pricing Guidelines (Special Topic) – Centralised Activities in Multinational Enterprise Groups discuss the economic value contributions of centralised activities in Singapore and their importance to a multinational enterprise group. The Guidelines also explain how to analyse such activities carried out in Singapore between related parties, the factors that may affect the transfer price for these activities and the transfer pricing methods that may be appropriate.</p> <p>Singapore also issued a set of guidelines, i.e. Goods and Services Tax (“GST”): Transfer Pricing Adjustment, which explain the GST treatment for adjustments made on the transfer prices of transactions between related parties.</p>	<p>Singapore Transfer Pricing Guidelines (Special Topic) – Centralised Activities in Multinational Enterprise Groups</p> <p>IRAS e-Tax Guide on GST: Transfer Pricing Adjustment is available at this link</p>
47	<p>Other relevant information (e.g. whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire)</p>	<p>Not applicable</p>	<p>-</p>

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>