

Amendment to foreign tax credit (FTC) claim process

With effect from Year of Assessment (YA) 2022, the time limit for the claim of FTC will be increased from two years to four years from the end of the YA in which the income is assessed to tax in Singapore.

In addition, with effect from 16 November 2021, taxpayers are required to give a written notice to the Comptroller within one year when the amount of FTC becomes excessive as a result of a downward adjustment of foreign tax paid in a foreign jurisdiction. Consequently, the time limit for the Comptroller to raise additional tax assessments or for taxpayers to claim additional FTC due to adjustments in the foreign tax paid or payable is increased from two years to three years from the time such adjustments are made.

Amendment to child order for Parenthood Tax Rebate (PTR) and Working Mother's Child Relief (WMCR)

With effect from YA 2022, a stillborn sibling will be taken into account when determining the child order for the purposes of the PTR and WMCR. However, PTR and WMCR will continue to not be allowed in respect of a stillborn child.

Amendment to definition of disallowed medical expenses

In the wake of the COVID-19 pandemic and the regulatory requirements of various public authorities, input tax on the following medical expenses would be claimable if incurred on or after 1 October 2021:

1. Relating to COVID-19
 - The employee is advised under any written advisory (including any industry circular) issued by the Government or a public authority to receive that treatment.
 - Provided on account of the nature of the employee's work or work environment.
2. Not relating to COVID-19
 - The employee is required under any written law to receive the medical treatment or the provision of the medical facility or medical practitioner is required under any written law.
 - Provided in connection with any health risk or requirement arising on account of the nature of the employee's work or work environment.

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How we can assist

If you need assistance or advice on the above, we are here to assist you.

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