



10 Reasons Why

Singapore

Is an Attractive

Investment  
Destination



# Singapore's

global economic standing, stable political landscape and support for innovation, among other factors, have placed the island nation among the most successful cities in the world in attracting foreign investment.

While there are many factors that have contributed to Singapore's success, we have selected **10 reasons** that make Singapore an attractive investment destination for multi-national companies as well as budding entrepreneurs.

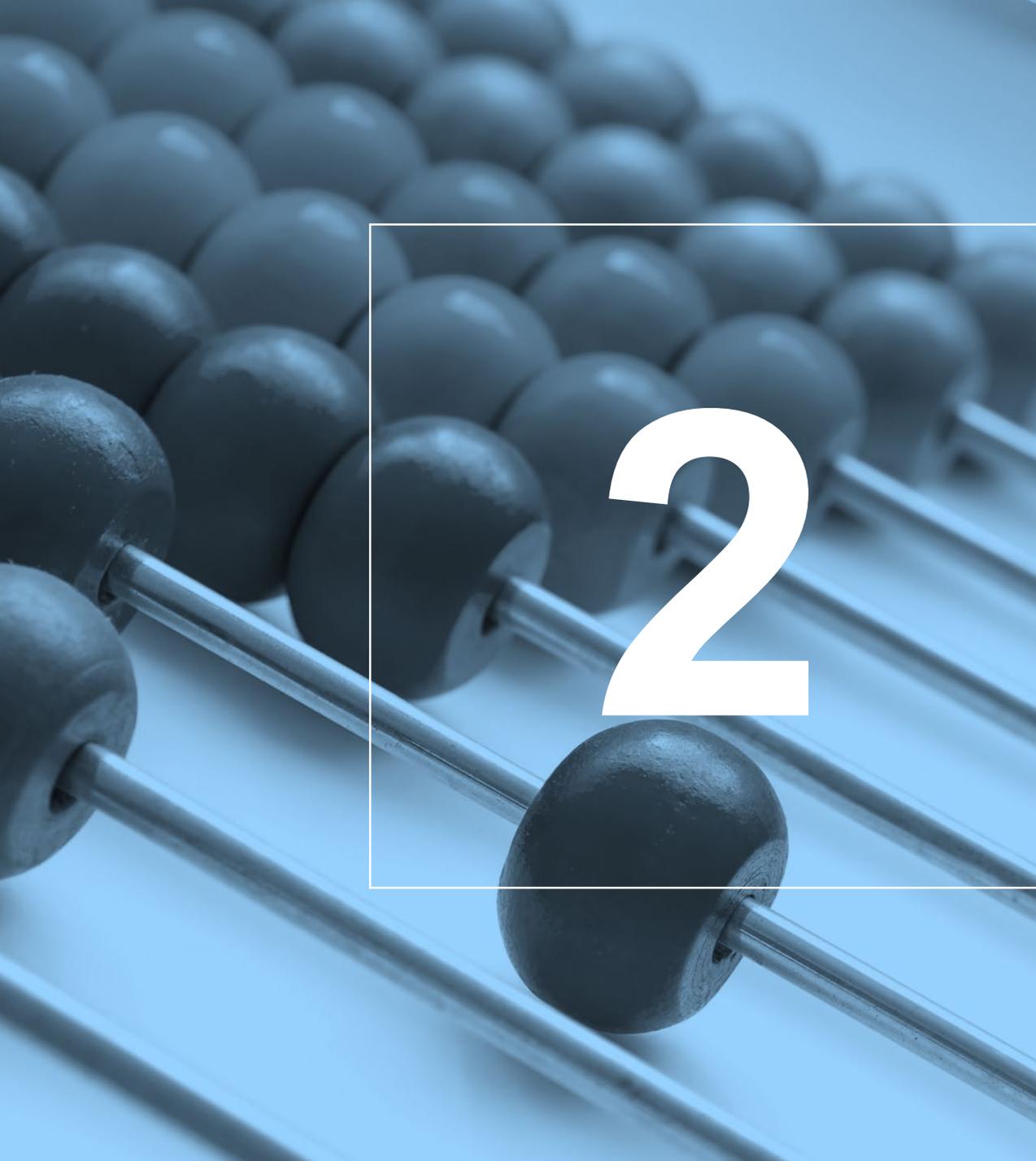
Read on to find out more.



# Low Corporate Tax Rate

The current corporate tax rate is **17%**.

In addition, 75% of up to the first S\$10,000, and 50% of up to the next S\$290,000 of a company's chargeable income is exempt from corporate tax.



# 2

## No Capital Gains Tax

There is no capital gains tax in Singapore.

Capital gains may be construed or deemed to be of an income nature and subject to income tax if they are derived from the activities of a trade or business carried on in Singapore.



# 3

## No Withholding Tax on Dividends

Under the one-tier tax system, shareholders are not taxed on the receipt of dividends from a Singapore resident company.

Accordingly, there is no withholding tax on dividends paid to non-resident shareholders.



# Global Network of Tax Treaties

As of 2018, Singapore has over 80 Avoidance of Double Tax Agreement (DTA) treaties in force, providing support to businesses in Singapore in resolving cross-border tax disputes as well as the opportunity to avoid double taxation.

Source: [Ministry of Finance, Singapore](#)

A blue-tinted image of a globe on a calculator with a large white number 5 overlaid.

# 5

## Tax Exemption of Foreign-Sourced Income

A company's foreign source income is not taxable in Singapore until such income is received or deemed received in Singapore.

Companies that are tax-resident in Singapore can benefit from tax exemption on foreign-sourced dividends, foreign branch profits and foreign-sourced service income if certain conditions are met.



# 6

## Ease of Investment

There are no significant barriers to investment in Singapore. For example:

- Generally, 100% foreign ownership of Singapore incorporated companies is allowed except in certain sectors for national security reasons.
- There are no minimum share capital requirements.
- There are no foreign exchange controls.



# Highly Competitive Economy

Singapore is ranked as the third-most competitive economy in the world according to the World Economic Forum's Global Competitiveness Report for 2017-2018.

Key constituents of Singapore's economic robustness include a stable macroeconomic environment, healthy public finances and public institutions that are transparent and highly efficient.

Source: [World Economic Forum](#)



# Among The Most Innovative Nations Globally

The Bloomberg 2018 Innovation Index, which ranks countries on their overall ability to innovate using factors such as research and development spending and the concentration of high-tech public companies, ranked Singapore as third in the world.

Singapore was ranked as the 7<sup>th</sup> most innovative country in the world by the 2017 Global Innovation Index that details the innovation performance of 127 countries and economies based on about 80 indicators.

Source: [World Economic Forum](#) and [Bloomberg Innovation Index](#)



# Second Easiest Place in The World for Doing Business

The World Bank in its “Doing Business” 2018 report, ranked Singapore as the second-best economy worldwide for ease of doing business.

Source: [World Bank, 2018](#)



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# Intellectual Property Protection

According to the World Economic Forum's Global Competitiveness Report for 2017-2018, Singapore ranks fourth in the world and top in Asia for IP Protection.

Source: [World Economic Forum](#)



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