



SINGAPORE KNOWLEDGE SERIES #13 – CERTIFICATE OF RESIDENCE

Certificate of Residence (COR)

The Certificate of Residence (COR) is a letter issued by IRAS to certify that the company / individual is a tax resident of Singapore for the purpose of claiming tax benefits under the Double Taxation Agreements (DTAs) or Limited Treaties.

What is a Double Taxation Agreement (DTA) ?

The DTA is an agreement signed between two countries that serves to relieve double taxation of income earned in one country / region by a resident of the other country / region.

The main objective of a DTA is to provide certainty regarding when and how tax is to be imposed in the country / region where the income-producing activity is conducted or the payment is made.



Purpose of COR

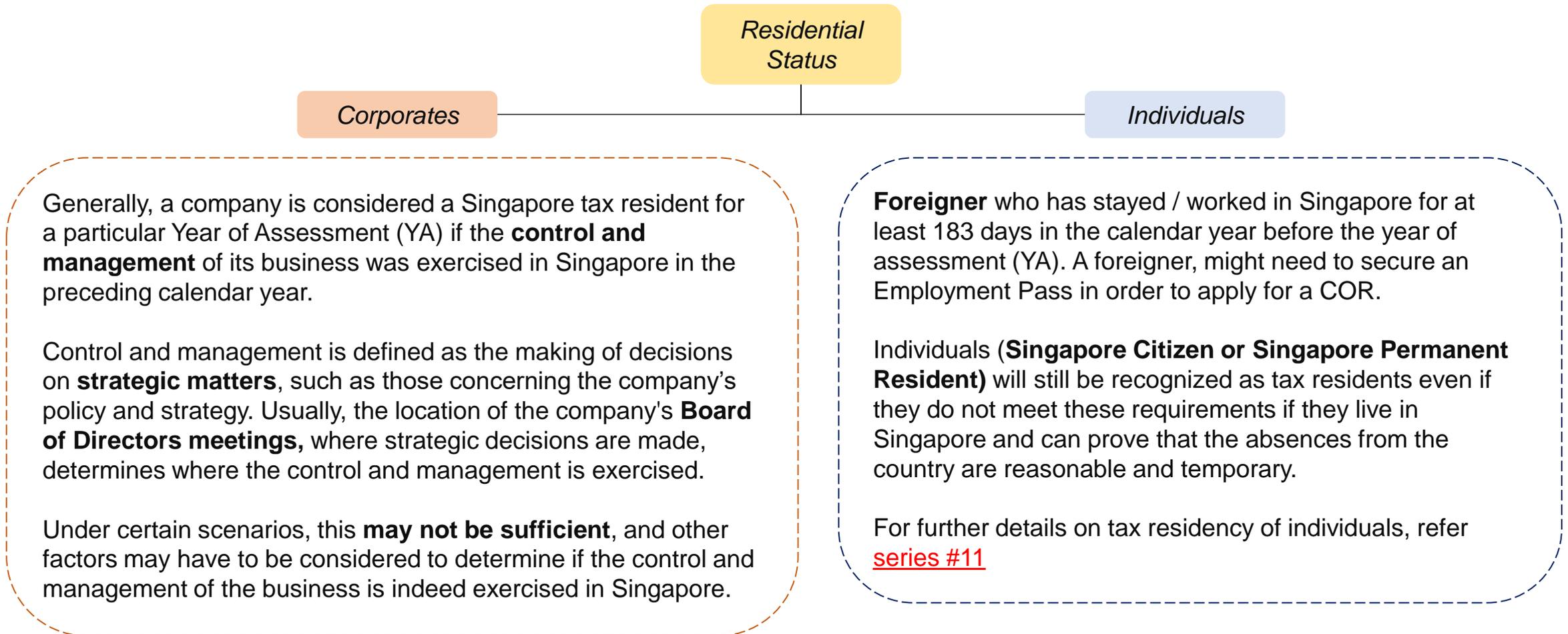
While tax resident and non-resident companies are generally taxed in the same manner, tax resident companies enjoy certain benefits (as specified below). To enjoy such tax benefits, the COR is required to be obtained by the Singapore resident company and must be submitted to the tax authority of the DTA partner to prove that the company is a Singapore tax resident.

- Exemption or reduction in tax imposed on specified foreign income that is derived in a jurisdiction that has a Double Taxation Agreement (DTA) with Singapore
- Tax exemption on specified foreign income such as foreign-sourced dividends, foreign branch profits, and foreign-sourced service income under Section 13(8) of the Income Tax Act 1947
- Foreign tax credit for the taxes paid in the foreign jurisdiction against the Singapore tax payable on the same income
- Tax exemption for new start-up companies ([Refer series #12](#))



Eligibility for COR

To obtain a COR, a company must be a **tax resident of Singapore**. Generally, **foreign-owned investment holding companies, nominee companies & non-Singapore incorporated companies** are **not eligible** for a COR.



Conditions for Non-Eligible Companies

Certain companies are not eligible for a COR. However, in exceptional situations, IRAS may still issue a COR if these companies satisfy certain prescribed conditions.



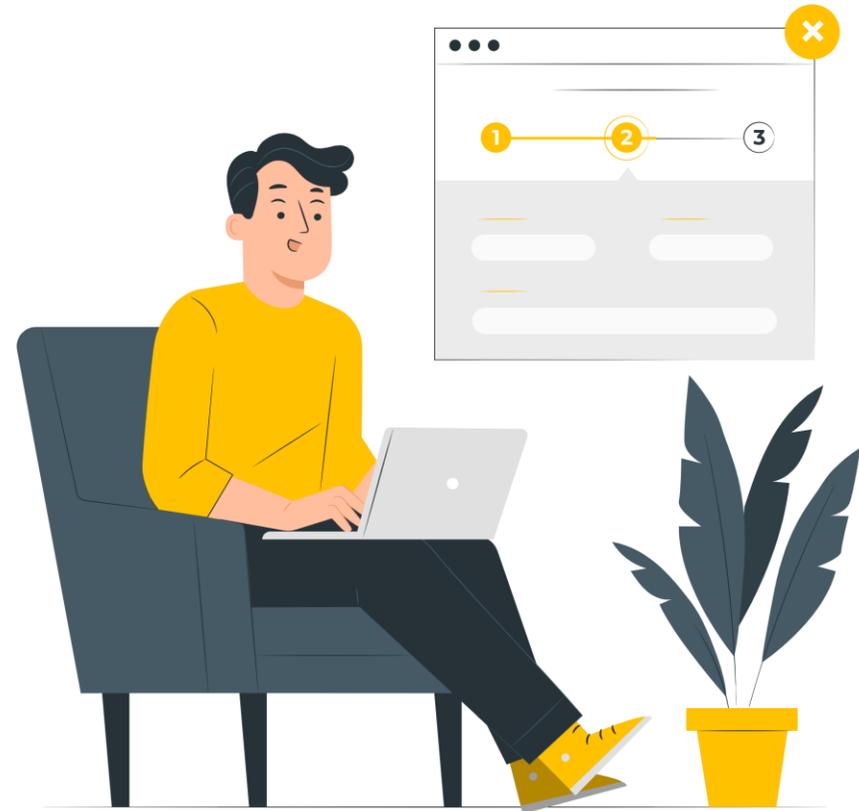
Non-Eligible Companies	Conditions to be satisfied
<p>Foreign-owned investment holding companies with purely passive sources of income and receiving only foreign-sourced income (the ownership is applied at the ultimate holding company level)</p>	<p>The control and management of the company's business is exercised in Singapore; and the company has valid reasons for setting up an office in Singapore. This includes demonstrating that decisions on strategic matters are made in Singapore. The company must also:</p> <ul style="list-style-type: none"> • Have related companies in Singapore that are tax residents of Singapore or have business activities in Singapore; • Receive support or administrative services from a related company in Singapore; • Have at least 1 director based in Singapore who holds an executive position and is not a nominee director; or • Have at least 1 key employee (e.g., CEO, CFO, COO) based in Singapore.
<p>Nominee companies that act as a custodian of shares on behalf of the beneficial owners and are not the beneficial owner of the income derived from the DTA partner</p>	
<p>Non-Singapore incorporated companies & Singapore branches of foreign companies (as they are controlled and managed by their overseas parent company)</p>	

*For tax purposes, a Variable Capital Company (VCC) incorporated under the VCC Act 2018 is treated as a **company**. To obtain a COR, a VCC must be a tax resident of Singapore. The tax residence of a VCC's sub-funds is determined **at the umbrella level of the VCC**.*

Application for COR

All COR applications must be filed in the IRAS tax portal except for specific circumstances ([refer slide #7](#)). IRAS will process the applications **within 7 working days** of receiving the application. COR can be applied for the following periods:

- A** Up to 4 back calendar years (CY)
- B** The current calendar year
- C** One advance CY starting from Oct of the current CY



A print copy of the COR can be obtained from IRAS tax portal without incurring a fee. However, to obtain a **hardcopy duplicate** of the COR from IRAS, the company must request for it to be mailed to them on remittance of a certain fee.

Specific Circumstances to apply for a COR in Writing



A letter certifying that the specified entity is a tax resident of Singapore can be obtained by a company (on behalf of the specified entity) from IRAS in the following scenarios:

- Applying for a COR for a sole-proprietorship business owned by the company
- Applying for a COR for a partnership business of which the company is a partner
- Non-Singapore incorporated entities

The said application to IRAS shall be made in writing along with the following information:

- (i) Name and Unique Entity Number (UEN) of the specified entity
- (ii) Reason(s) for requesting for a letter of residence
- (iii) Details of the foreign jurisdiction from whom the income is to be received along with other details such as amount, date, etc.
- (iv) Calendar year for which the letter is required
- (v) Confirmation that the control and management of the company for the whole calendar year is / will be exercised in Singapore.

IRAS will process the application within **14 working days** from the day complete information is received. The processing time may be longer if the case is complex.

Upcoming Singapore Knowledge Series

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3. [Issuance of share certificate](#)
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5. [Employment Pass](#)
6. [XBRL Filing](#)
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8. [ACRA Return filing](#)
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THANK YOU

Chennai - India

M2K Advisors LLP

1st Floor, No. 62, 3rd street,
Abhiramapuram, Alwarpet,
Chennai - 600018
Tamil Nadu

Hyderabad - India

M2K Advisors LLP

Manjeera Trinity Corporate
JNTU Road, Plot No S2 ,
Telangana- 500072
Hyderabad

Singapore

M2K Advisors Pte Ltd

The Octagon,
105 Cecil Street, #07-02
Singapore 069534

USA

M2K Sai Advisors Inc

1 AUER CT,
2nd Floor, East
Brunswick
New Jersey - 08816

For any queries, reach us at:

compliance@m2kadvisors.com

Ph no: +65 68659500

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