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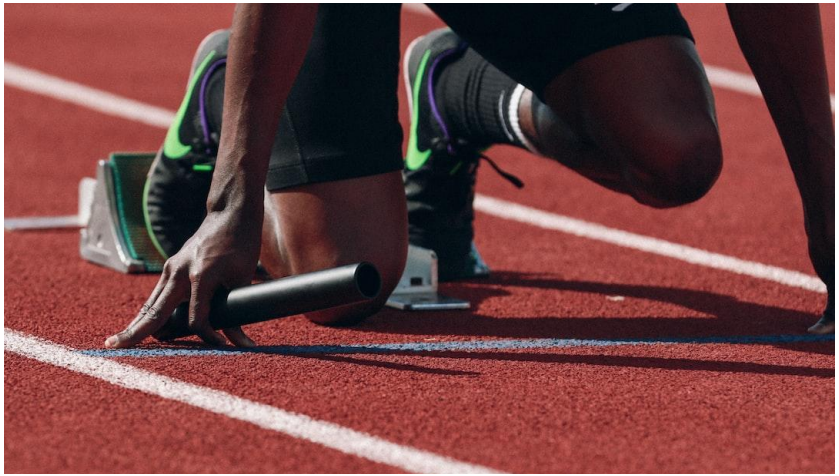
Two key components to starting a business in Singapore



START

KEEP IT COMPLIANT

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What you need to start a business in Singapore

At least 1 Shareholder

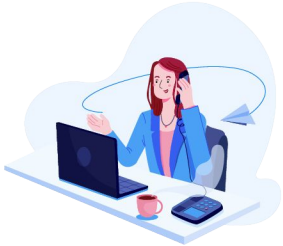
This can be yourself, or your overseas Company

A Resident Director

Legal requirement to have a local director on your board

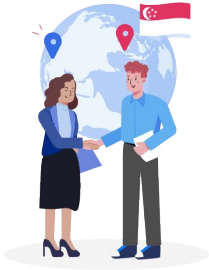
At least SGD$1 in capital

This can be in any currency.



A Company Secretary

Looks after your compliance with the relevant authorities



Singapore Registered Address

Legal requirement to have a local address

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Special requirements for Foreigners

Nominee Director

- Foreigners registering a Singapore company must have a local resident director.
- The Nominee Director holds legal and regulatory responsibilities without operational involvement.

Registered Address

- Every company being incorporated in Singapore needs a local office address.

Visa

- You would need a valid visa if you are a foreigner incorporating a company and intend to work in Singapore

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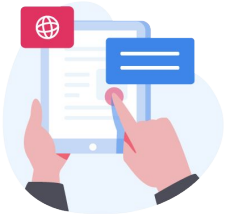
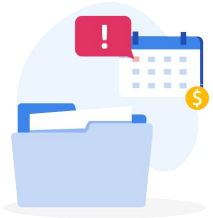
Key considerations when starting your business

Choose a company name

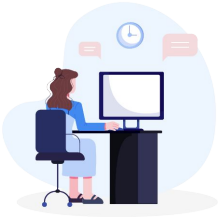


Decide the nature of your business

Choose the financial year for your business



Open a corporate bank account



Select office location

Understand Insurance requirements
(for specific industries only)

Any other legal agreements you may need

Licenses and permits
(for specific industry only)

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Keeping your business compliant

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Important Note

1. Singaporean entities must adhere to reporting standards set by ACRA and IRAS.

2. Failure to meet these requirements can lead to fines and penalties.

3. Key reporting deadlines are triggered by the End of Financial Year of your company.

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What does a Company Secretary do?

Your Corporate Secretary will support the regulatory needs of your company.

- Preparation & filing of Annual Return
- Hold AGM (if required)
- Appointment & Resignation of director/corporate secretary/auditor
- Change in officers' particulars, company name, registered business address, financial year end or principal business activities (SSIC Codes)
- Declaration and distribution of dividends
- Share issuance & transfer to existing shareholders
- Company Strike Off

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What does an Accountant and Tax Agent do?

- Reconcile your expenses, receipts and bank transactions.
- Prepare accounting and tax records for filing with ACRA & IRAS.
  - **Estimated Chargeable Income (ECI)**
  - **Financial statements**
  - **Income Tax Return (Form C-S/Form C)**
  - **GST (if applicable)**
- Monitor company financial health and providing insights.
- Support your payroll needs; payslips, CPF, SDL, IR8A

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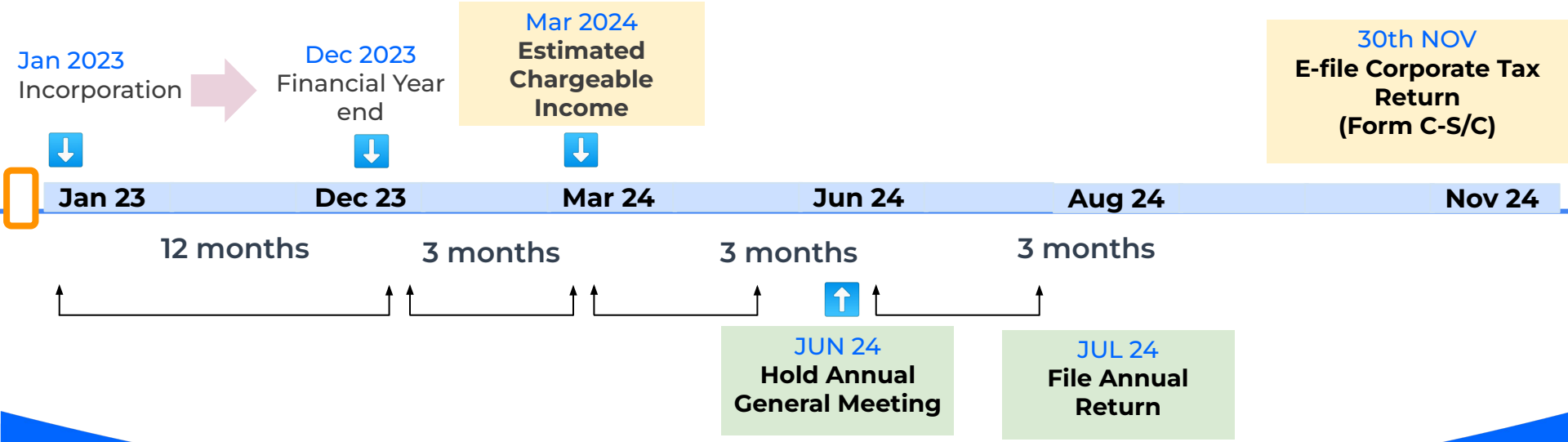
Example of reporting deadlines- SINGAPORE



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Late filing penalties with ACRA

Requirements	Type of Breach	Type of Penalty	Imposed against	Penalty
Section 175	The AGM is held late	Composition	Company	Composition sum of $300
Section 197	The AR is lodged late	Late lodgement fee	Company	Late lodgement fee of $300 (Second Schedule of Companies Act) (Fees and Late Lodgement Penalties Regulations 2015)
Section 201(1)*	Financial statements laid at AGM are more than 6 months old for a non-listed company or more than 4 months old for a listed company	Composition	Director(s)	Composition sum of $300

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Singapore's tax system on profit is simple

Start up Tax Exemption Scheme Eligibility

- Must be incorporated in Singapore
- Must be a tax resident of Singapore
- Must not have more than 20 individual shareholders
- At least 1 shareholder holding 10% shares if there is a Corporate Shareholder
- Must not be a property or investment holding

Tax Considerations (3-year Start up Scheme)

- First $100,000 in taxable profits will be taxed @ 4.25%
- Next $100,000 will be taxed @ 8.5%
- Anything over $200,000 will be taxed @ 17%

In or after YA 2020 (Maximum exemption for each YA is $125,000)

CHARGEABLE INCOME	% EXEMPTED FROM TAX	AMOUNT EXEMPTED
First $100,000	75%	$75,000
Next $100,000	50%	$50,000

Partial Tax Exemptions

Companies who do not qualify for start up exemptions or for those beyond the first 3 years of their incorporation.

- First $10,000 in taxable profits will be taxed @ 4.25%
- $10,000 - $190,000 will be taxed @ 8.5%
- Over $200,000 will be taxed @ 17%

🔖 **More Information:** Sleek's 5 min Guide to Singapore's Corporate Tax System

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