

Country business guide: Singapore

1. INTRODUCTION

WORLD RANKING	<p>Ease of doing business by World Bank 2nd in the world, 2019 (link);</p> <p>Business registration in Singapore can be completed within 1 week with a minimum paid-up share capital of SG\$1.</p>
OFFICIAL LANGUAGE(S)	<ul style="list-style-type: none"> • English; • Mandarin; • Bahasa (Malaysia); • Tamil.
CURRENCY	Singapore Dollars (SGD)
POPULATION	<p>Size 5.7 million, 2019 (link)</p> <p>Unemployment rate 2.1%, 2018 (link)</p>
GDP PER CAPITA	<p>S\$87,108 (at current prices), 2018 (link)</p> <p>3.1% real growth, as per 2018 (link)</p>
OTHER COMMENTS	<ul style="list-style-type: none"> • Singapore is the most politically stable country in Asia; • Multiple government grants such as StartUp SG, SPRING, IPOS are available for different businesses; • Main industries: Manufacturing, Logistics, Banking & Finance, IT & Media, Tourism.

2. SETTING UP A BUSINESS

HOW LONG IT TAKES ?	1 week
HOW MUCH IT COSTS ?	SG\$1 as minimum paid-up share capital
MOST COMMONLY USED CORPORATE STRUCTURE?	<p>Private limited company</p> <ul style="list-style-type: none"> ➤ 1 resident director and 1 shareholder required; ➤ Most popular business structure used by foreign investors; ➤ Can be used both for trading and holding activities; ➤ There is no requirement to have physical office space or local staff in Singapore to complete business setup;

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LIST OF TYPICAL DOCUMENTS REQUIRED TO REGISTER A COMPANY

- Notarized passport copies of directors & shareholders;
- Incorporation forms- 45 & 45B;

HOW TO REGISTER THE COMPANY ? (STEP-BY-STEP)

Step 1 : Name reservation

Select a unique name for the business and reserve it with ACRA

Step 2 : Appointment of company secretary

Appoint a secretary to manage company's statutory administration and annual returns

Step 3 : Document preparation & submission

Gather all the required documents, complete, sign and duly file them with ACRA

OTHER COMMENTS

- Under certain conditions, a Singapore private limited company can be legally exempt from Singapore corporate income tax;
- Apostille is not possible in Singapore since it is not a part of 1961 Hague Convention;
- Singapore is the regional hub most commonly used by MNCs for their expansion in south-east Asia;

3. OPEN BANK ACCOUNT

HOW LONG IT TAKES ?

At least [2 months](#)

WHAT YOU NEED WHEN OPENING A CORPORATE BANK ACCOUNT ?

- Detailed information on company's activities;
- Company's customers & suppliers;
- Company's financial projections;

OTHER COMMENTS

Our recommended banks are DBS Bank, OCBC, UOB, HSBC and Standard Chartered;

4. TAX, ACCOUNTING & LEGAL

RELEVANT INFORMATION, OBLIGATIONS AND REQUIREMENTS

- From 2019, companies are granted 20% corporate tax rebate capped at S\$20,000;
- Start-ups are exempt from corporate tax on the first S\$100,000;
- Registered shipping companies are entitled to various tax benefits;
- Compulsory to maintain all secretarial records.

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TAX AND VAT	Corporate tax 17%, 2019 (source), file online with IRAS (link)
	GST 7%, 2019 (source)
	Withholding tax on dividends 10% - 15% (source)
OTHER COMMENTS	<ul style="list-style-type: none">• 60 comprehensive double taxation agreements;• 2 free trade zones in Jurong Port and Changi Airport Group;• More than 600 ports in 123 countries are connected to Singapore by 200 shipping lines.

5. OTHER HIGHLIGHTS

ADVANTAGES	<ul style="list-style-type: none">• Singapore is a global financial centre offering lucrative opportunities for financial companies;• The country is a member of ASEAN which allows products manufactured within the region to be exempt from import duties (subject to rules of origin);• Businesses benefit from quality workpool but highest salaries in ASEAN and tight labour market;
DISADVANTAGES	<ul style="list-style-type: none">• All businesses are required to have at least 1 resident director;• Increased regulatory requirements to hire foreign workers;• Most Singapore banks require company directors and bank signatories to be physically present for corporate account opening.

USEFUL WEBSITES:

- <https://www.healyconsultants.com/singapore-company-registration/>
- <https://www.acra.gov.sg/>
- <https://www.iras.gov.sg/irashome/default.aspx>
- <https://www.healyconsultants.com/singapore-company-registration/accounting-tax/>