



SINGAPORE FOREIGN TRUSTS

A Singapore Foreign Trust is a trust where every settlor and beneficiary of the trust are neither citizens nor residents of Singapore or are foreign companies.

An attractive planning vehicle for international private clients to achieve tax effective wealth preservation, estate planning and succession planning objectives.

Main features

- > A Singapore Foreign Trust must be administered by a licensed trustee company licensed and regulated by the Monetary Authority of Singapore.
- > A Singapore Foreign Trust enjoys exemption from tax on “specified income” derived from “designated investments”. The tax exemption is also enjoyed by any underlying company of the trust that qualifies as an “eligible holding company”.
- > An Eligible Holding Company is a company incorporated outside of Singapore, wholly owned by the trustee of the foreign trust, formed specifically to hold the assets of the foreign trust, and whose operations consist solely of trading or making investments for the purpose of the foreign trust.
- > Specified income includes interest and dividends derived from outside Singapore and received in Singapore from any designated investments. Other types of specified income includes interest derived from approved banks and financial institutions, gains and profits from the sale of designated investments and distributions from foreign unit trusts derived from outside Singapore and received in Singapore. Rents, royalties and premiums arising from property derived outside of Singapore and remitted into Singapore is also considered specified income and hence exempt from taxation in Singapore.
- > Designated investments includes stocks and other securities of non-Singapore companies and financial institutions which are denominated in a currency other than Singapore dollars, deposits with approved banks in Singapore, foreign exchange transactions, Singapore Government securities and real property outside of Singapore.

Key Benefits

- > Singapore is increasingly considered by HNWIs worldwide as the preferred location for trust setups.
- > Singapore trusts offer extensive benefits, ranging from strict client confidentiality, succession, tax and estate planning to asset protection.
- > No registration requirement for Singapore Foreign Trusts.
- > Appointment of protector is optional.
- > There is no restriction on the property of a Singapore Foreign Trust. Assets can be added into the trust during its lifetime.
- > It has a perpetuity period of 100 years.
- > It has an in build protection mechanism from Forced Heirship rules.
- > Exemption from Singapore income tax on distributions to non-resident beneficiaries.



KEY CONTACTS



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ABOUT JTC KENSINGTON

JTC Kensington is the brand name of Kensington Trust Group, a part-owned associate of JTC, offering trust, fiduciary and corporate services and fund administration.

JTC is a publicly listed, global professional services business with deep expertise in fund, corporate and private client services.

Every JTC person is an owner of the business and this fundamental part of our culture aligns us with the best interests of all of our stakeholders.

Our purpose is to maximise potential and our success is built on service excellence, long-term relationships and technology capabilities that drive efficiency and add value.

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