

SINGAPORE TAX HANDBOOK. By JENNY Y.N. LIM & DAMIAN C.F. HONG.
[Singapore: Oyez Longman Publishing Ltd. 1984. 99pp. \$42.75]

THIS is a practical handbook which seeks to provide information on the major aspects of income taxation in Singapore, as well as a brief coverage of other miscellaneous taxes, surcharges and levies.

The arrangement of the book is a little unusual for a book on income tax. The chapter on capital allowances follows immediately after the introductory chapter on basic principles and concepts and tax procedures. Then follows four chapters dealing with tax entities, *viz.*, the company, the individual, partnerships, trusts and associations. This is followed by a chapter on treatment of certain income, such as dividends, interest and others. Then follows a chapter on double taxation and finally a chapter on miscellaneous taxation.

This arrangement is unusual for several reasons. First, it is much more common and logical to deal with taxability of income before

dealing with tax deductions and capital allowances. Second, the authors have elected to deal with tax treatment of certain income under the chapters on tax entities. For example, income derived from a trade, business, profession or vocation is treated in the chapter on taxation of companies and income from employment is treated in the chapter on taxation of individuals. It is true that most trade and business are carried on by companies, but this is not exclusively so.

Also this arrangement entails the splitting up of the six categories of income which are liable to tax in Singapore. It might provide a more complete picture if they were discussed outside tax entities and just under the concept of tax treatment of income.

This can also be said of tax deductions, which is also discussed in the chapters on tax entities. Since, in Singapore the same test applies to determine deductibility of expenses for all tax entities, it might be more convenient to discuss tax deductions in one chapter.

In each chapter, basic information on the tax position is provided succinctly, however, without much discussion. In this regard the authors might consider stating in the next edition the source of the information *i.e.* the relevant sections of the Income Tax Act, or the Economic Expansion Incentives (Relief from Income Tax) Act.

This rather thin handbook provides a useful guide to information: how much allowances may be taken on a motor car, corporate tax computation, tax incentives available for companies and so on. But if it hopes to “give an insight into the practical aspects of taxation” and “to provide a quick source of reference to those involved with Singapore taxation in the course of studies or work” then a little more discussion is needed.

It has one advantage over other tax guides in that it contains the 1984 Budget proposals which have been implemented as law recently, and thus is the most up-to-date work of its kind.