



NATIONAL UNIVERSITY OF SINGAPORE
Department of Accounting



SSB2217: Taxation and the Singapore Miracle

Semester 1, 2015/2016

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Consultation Hrs: By appointment through email

Course Description

Singapore's rapid growth and transformation has led it to become one of the world's greatest economic success stories. Widely acclaimed as an economic miracle, Singapore's success can be attributed to a series of deliberate and responsive economic and tax policies which have ensured its sustained macroeconomic stability and attractiveness to foreign investment.

Mode of Learning and Learning Outcome

Students will be introduced to the history of Singapore's experience as an open economy seen through the lens of tax policy. The module will enable students to trace the development of Singapore's economic progress as they are given a chronological walk-through of the development of Singapore's tax system. Students will have opportunity to explore the unique and key features of various tax policies (e.g., tax incentives and tax measures) which were integral in promoting the rapid industrialization and growth of specific sectors in the Singapore economy which are still relevant today. The module aims to provide students with insights into the rationale behind these policies and their implementation. This module intends to stimulate critical thinking and engage students in intellectual discourse on the impact and effectiveness of various tax policies and continued relevance of these policies which continue to contribute to Singapore's sustained prosperity and success in the Asean community and on the global stage.

Learning Outcomes

- A good insight and articulation of the role of taxation in the economic development and success of Singapore as a city state;
- An understanding of the rationale and philosophy behind Singapore's tax policies/incentives which have been integral to Singapore's *unique positioning and competitiveness*;

Mode of Teaching

Students are expected to come to class well prepared and be ready to respond to questions as required. This means doing the required readings or problem assignments before each session.

All lecture notes, tutorial questions, reading materials and assignments are downloadable from the course website. Lectures may not necessarily relate directly to your readings and assignments.

Classes commence from Week 1 (week beginning 10 August 2015, i.e., 1st lesson on Thursday 13 August 2015) from 2pm to 5pm at BIZ1 - Seminar Room 03-05.

Pre-requisite(s)

There are no pre-requisites for this course.

Preclusion(s)

Nil

Reference Guides

- CCH Singapore Master Tax Guide Handbook 2015/2016, 34th Edition
- The Essential Guide to Income Tax in Singapore (2014), Lim Cher Hui, CCH Singapore
- Various journal papers, Singapore Parliament Reports

Other References

Singapore Budgets of the Past and Present

Students are advised to keep abreast of changes to policy and regulation in Singapore, past Singapore Budgets and news about the latest Singapore Budget via the Ministry of Finance website i.e., <http://www.singaporebudget.gov.sg/> and <http://www.mof.gov.sg/>

IRAS Guidance

Students will be expected to refer to selected e-Tax Guides issued by the Inland Revenue Authority of Singapore (IRAS). These can be found at <http://www.iras.gov.sg/>

Tax Statutes

Income Tax Act, Cap 134
Goods and Services Tax Act, Cap 117A
Property Tax Act Chapter 254
Economic Expansion Incentives Act (Relief from Income Tax) (Chapter 86)
Stamp Duties Act (Chapter 312)
Estate Duties Act (Chapter 96)
Estate Duties (Abolition) Act (2008)

All statutes are available for on-line viewing at the Attorney-General Chambers' "Singapore Statutes Online" website: <http://statutes.agc.gov.sg>

Assessment (Tentative)

This is a 100% CA course. The weight distributions for the different components are as follows:

Group Assessment	
Assignments	25%
Group Project	35%
Individual Assessment	
Class Participation	20%
Class Quiz	20%
Total	100%

Assignments

Groups will be assigned to prepare written answers and make class presentations for each of the 8 assignments in this course. There would be approximately 4 students (maximum) in each group.

Class Quiz

Tentatively, a 45-minute class quiz is planned for this module. The quiz will cover all topics covered to the week before Class Quiz. It will be held during class hours. Students are to make sure that they are available to sit for this class quiz.

Group Project

More details will be released. For Group Project Assigned groups will also be expected to prepare a written report and make class presentations. The groups for the project will be the same as those for the assignments. Tentatively, Group Projects will be due for submission on 18 October, 2359hrs.

Class Participation

Students are strongly encouraged to actively participate in class discussions. Students will be graded on an **individual** basis according to their contributions to the class discussions. In this respect, students should come well prepared for every session in this course.

Other points to note

- **Attendance:** Since this is a 100% CA course consisting of a 20% Class Participation component for Individual Assessment, students must not miss more than 2 classes (not including absence due to medical (accompanied by medical certificates) or compassionate reasons). Violators will be heavily penalized or may even fail the entire module.
- **CA Attendance:** Students who miss any CA component will receive zero marks for that particular component. Absentees may be excused if they are able to account for their reason for absence from class by way of a valid medical certificate or in the case of compassionate reasons, by way of written explanation.
- Students are encouraged to always feedback to the instructor comments and suggestions that may help the class to learn better.
- Students are to check the IVLE weekly for announcements.
- Please use NUS e-mail for e-mail communications.

Proposed Lecture Schedule	
Week	Coverage
1, Aug 13	Economic Development, Economic Success and Economic Miracles <ul style="list-style-type: none"> • Introduction • Overview of the Singapore Economic Miracle - Why, What and How
2, Aug 20	Tracing Singapore's Economic Development over 5 Decades <u>1960s: Key Theme: Rapid Industrialization (Planning, Implementation and Impact)</u> <ul style="list-style-type: none"> • Role and impact of the Economic Expansion Incentives Act (Relief from Income Tax) (Chapter 86) <u>1970s: Key Theme: Industrial Restructuring</u> <ul style="list-style-type: none"> • Promotion and development of key "market leading" sectors: E.g., Financial Services • Singapore as an open economy *Discussion of key tax policies, their role and impact
3, Aug 27	<u>1980s: Key Theme: Responding to changes in global trends</u> <ul style="list-style-type: none"> • Key concerns of the Economic Restructuring Committee
4, Sept 3	<u>1990s: Key Theme: Restructuring the Singapore economy</u> <ul style="list-style-type: none"> • Tax restructuring, Overseas Enterprise Initiatives and regionalization
5 &6, Sept 10 &17	<u>2000s: Key Theme: Encouraging Innovation and Entrepreneurship</u> <ul style="list-style-type: none"> • Strategies for Innovation and Entrepreneurship • Further tax restructuring • Internationalization of Singapore businesses
Recess Week	
7, Oct 1	Tracing Singapore's Economic Development over 5 Decades (Cont'd) <u>2000s: Key Theme: Encouraging Innovation and Entrepreneurship</u> *Class Quiz to be held during class hours (TBA)
8, Oct 8	Influencing social behavior through tax policies (Part I) <ul style="list-style-type: none"> • Personal tax reliefs in Singapore • Abolition of Estate duty • Philanthropic Action in Singapore
9, Oct 15	Influencing social behavior through tax policies (Part II) <ul style="list-style-type: none"> • Role and impact of other forms of taxes, duties and levies in Singapore
10, Oct 22	Practical Aspects of Singapore Taxation for Business and Individuals *Group Project Due on 18 October 2015, 2359hrs
11, Oct 29	Presentation of Group Projects (Part 1)
12, Nov 5	Presentation of Group Projects (Part 2)
13, Nov 12	Summary and Review