

# Tax News

PwC Singapore | Tax Services



Tax updates for the period 1 February to 28 February 2025

## Singapore updates

### Singapore Budget 2025

Singapore's FY2025 Budget Statement was announced by Prime Minister and Minister for Finance, Mr Lawrence Wong, on Tuesday, 18 February 2025 in the Parliament.

Themed "Onward Together for a Better Tomorrow", Budget 2025 is focused on tackling cost pressures, advancing our growth frontier, equipping workers throughout life, building a sustainable city, nurturing a caring and inclusive society and rallying as one united people.

[Click here](#) for PwC Singapore's Budget Commentary for insights into the various measures announced in Budget 2025.

### Goods and Services Tax

- The Inland Revenue Authority of Singapore (IRAS) revised its e-tax guide on 'GST: Fringe Benefits (Tenth Edition)' on 19 February 2025 to include certain exceptions to the requirement to account for output tax on free parking provided to employees, where the business had claimed input tax on the construction of the car park.

[Click here](#) for details.

- As announced in the Budget 2025, the GST remission for S-REITS and Singapore-listed Registered Business Trusts in the infrastructure business, ship leasing and aircraft leasing sectors will be extended to 31 Dec 2030. The IRAS has since updated its e-tax guide 'GST: Concession for REITS and Qualifying Registered Business Trusts Listed in Singapore (Seventh Edition)' on 18 February 2025 to reflect this extension and make other editorial changes.

[Click here](#) for details.

## International tax news

### UN asserts a greater role in global tax policy

From 3 to 6 February 2025, the UN intergovernmental negotiating committee (Committee) held an organisational session to draft a UN Framework Convention on International Tax Cooperation (Convention). Key decisions included the composition of the Committee's bureau, choosing "prevention and resolution of tax disputes" as the topic for the Convention's second early protocol, and adopting a simple majority

decision-making process for the Convention negotiations with a two-thirds majority required for protocols.

The UN is moving to take a larger role in international tax development. There will be opportunities for stakeholders to contribute to the Committee's work, and companies should monitor developments and engage when possible. The UN is seeking to conclude negotiations by 2027.

[Click here](#) for details.

### **India: Income-tax Bill, 2025 – A step towards Viksit Bharat**

The Government of India has introduced the Income-tax Bill, 2025 (Bill) on 13 February 2025, aiming to modernise and simplify the country's six decade-old tax law. This Bill is proposed to be enacted with effect from 1 April 2026.

[Click here](#) and [here](#) for details.

### **India: India Budget 2025: Impact on foreign investors and multinationals**

On 1 February 2025, the Indian finance minister presented the Union Budget for 2025–26. The budget focuses on various development measures that include boosting manufacturing and 'Make in India,' enabling employment-led development, investing in people, the economy, and innovation, securing energy supplies, promoting exports, and nurturing innovation.

[Click here](#) and [here](#) for details.

### **Macau: Significant tax reform: Tax Code will take full effect in 2026**

On 16 December 2024, the Legislative Assembly of the Macau Special Administrative Region (Macau SAR) passed the bill for approval of the Tax Code (new legislation). This new legislation not only clarifies and strengthens the tax legal system in the Macau SAR but also establishes a modern tax system in line with international standards. The Chief Executive of the Macau SAR signed and ordered the publication of the new legislation on 28 December 2024, which was then officially published in the Macau SAR Gazette on 30 December 2024. To allow sufficient time for relevant sectors to adopt, the majority of the provisions of the new legislation will take effect on 1 January 2026. However, the definition of tax resident and certain amendments to the stamp duty regulations have come into effect as of 1 January 2025 and 31 December 2024 respectively.

[Click here](#) for details.

### **Malaysia: Income Tax (Exemption) Order 2025**

The Income Tax (Exemption) Order 2025 (2025 Order) was gazetted on 13 February 2025 and provides exemption from income tax on various payments from specified Labuan persons.

[Click here](#) for details.

### **Vietnam: Vietnam signs MCAA on exchange of CbCRs**

On 3 January 2025, Vietnam signed the multilateral competent authority agreement on the exchange of country-by-country reports (MCAA CbCR).

This NewsBrief sets out what this means for companies and groups in Vietnam which fall within the CbCR rules.

[Click here](#) for details.

## Other resources for international tax updates



### **International tax news - Analysis of tax developments worldwide**

PwC's International Tax News is designed to help multinational organisations keep up with the constant flow of tax developments.

Among the developments featured in the February 2025 edition are:

- Canada –Release of draft legislation to increase the capital gains inclusion rate
- Cyprus – Extension of application of debt restructuring provisions
- France – Finance Law for 2025 finally adopted
- United Arab Emirates – UAE implements Pillar Two effective 1 January 2025
- United States – Trump Administration announces steep tariffs on Canada, Mexico and China
- India – Guidelines issued for application of PPT under India tax treaties

[Click here](#) for details.

### **Tax Policy Bulletin**

Drawing on our experience of tax policy issues and insight from relationships with organisations such as the OECD, we have put together a series of Tax policy bulletins. With analysis and insight on policy changes around the world, these bulletins are designed to help you stay up-to-date with the latest developments and explain what these changes mean for you and your business.

[Click here](#) for details.

### **Understanding Base Erosion and Profit Shifting – a two-pillar solution**

Understanding Base Erosion and Profit Shifting – a two-pillar solution reveals the latest tax developments evolving around a two-pillar solution and the key building blocks that are foundational to building up your readiness.

[Click here](#) for details.

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