

ATTENTION: COMPTROLLER OF INCOME TAX

ECONOMIC DEVELOPMENT BOARD (IP SBU)

**DECLARATION FOR THE PURPOSE OF CLAIMING SINGLE TAX DEDUCTION FOR
PATENTING COSTS¹ FOR THE YEAR OF ASSESSMENT _____**

(Please read the attached explanatory notes carefully before filling up this declaration)

I, _____ of _____ ("the Person"), hereby declare that:
Name of authorised signatory *Name of company or business*

(a) Any patents granted from the patenting costs claimed is/will be* legally owned by the Person;

(b) The Patent Application will benefit the Person in one or more of the following ways:
(Check the appropriate boxes)

- Licensing of Patents from Singapore
- Use of Patents for product and/or service development in Singapore
- Use of Patents for the production of goods and services in Singapore
- Others (please state):

(c) Economic benefits from the exploitation of the patents will be accrued to the Person;

(d) The Person has not applied and will not apply for the Patent Application Fund Plus² (administered by the Economic Development Board) for the patenting costs claimed; and

(e) The Person is/is not* a Small and Medium Sized Enterprise (SME) at the time of patent application.

Name and signature of authorised signatory

Designation

Date

¹ Under Section 14A of the Income Tax Act.

² For more information on the Patent Application Fund Plus, please visit http://www.edb.gov.sg/edb/sg/en_uk/index/our_services/startups/financing/patent_application.html

Note: Under the Singapore Income Tax Act, there are penalties for failing to give a return, furnishing an incorrect return or making a false declaration.

* Delete whichever is not applicable

Please attach the following information required in a separate sheet

For each invention, please complete a fresh copy of the “*Breakdown of patenting costs for the purpose of claiming single tax deduction for patenting costs*” sheet (see the last page of this document).

Details required include:

- i) Title of invention
- ii) Names of joint-owners (if any)
- iii) Country(s) filed/to be filed
- iv) Brief description of invention
- v) Breakdown of costs

For Official Use (in cases where the Person is an SME)		
Claimant has not applied for Patent Application Fund Plus Grant	Yes / No	
Comments		
Verified by:		
_____	_____	_____
<i>Name and signature of EDB Officer</i>	<i>Designation</i>	<i>Date</i>

EXPLANATORY NOTES FOR COMPLETING THE DECLARATION FORM

Single Tax Deduction for Patenting Costs

1. Definitions

For the purposes of completing the declaration form –

“Authorised signatory” refers to:

- the CEO/MD (or equivalent) in the case of a company;
- the precedent partner in the case of a partnership; and
- the sole-proprietor in the case of a sole-proprietorship.

“Legally Owned by the Person” means that the Person is the proprietor of the patent.

“Person” refers to a person who carries on a trade or business, the income from which is assessable to tax under Section 10(1)(a) of the Income Tax Act. For tax purposes, a person includes a company.

“Small and Medium Sized Enterprise” or “SME” refers to an enterprise with:

- fixed assets (i.e. net book value of factory, building, machinery and equipment) not exceeding S\$15 mil in the case of a manufacturing company; or
- employment size not exceeding 200 workers in the case of a non-manufacturing company.

2. Eligibility for the Single Tax Deduction for Patenting Costs

Any Singapore-based company or business (Person), provided the legal ownership of the patent lies with the claimant company or business, where:

- i) The economic benefits from the exploitation of the patents will be accrued to the Person.
- ii) The Person has not applied and will not apply for the Patent Application Fund Plus (administered by the Economic Development Board) for the patenting costs claimed.

Patent(s) can be filed in any number of countries.

3. Patenting costs that can be claimed for the Single Tax Deduction

Official fees paid to the Registry of Patents in Singapore or elsewhere for the:

- i) filing of a patent
- ii) search and examination report on the application for a patent
- iii) grant of a patent

Professional fees paid to a registered patent agent or equivalent for:

- i) applying for or obtaining patents in Singapore or elsewhere
- ii) preparing specifications or other documents for the purposes of the Patent Act or the patent law of another country
- iii) giving advice (other than advice of a scientific or technical nature) about the validity or infringement of patents

Examples of the above allowable costs include those incurred in translation and prior art searches.

4. **Expenses not qualifying for the single tax deduction**

Patent renewal costs, maintenance of a lapsed patent due to negligence, the defence or enforcement of a patent, charges arising from the transfer of rights, cannot be claimed. Such costs are not integral to the patenting process and are not deductible.

5. **Documents required for claiming the single tax deduction for patenting costs**

In order for your claim of the single tax deduction for patenting costs to be considered, you are required to:

- i) Complete and sign the declaration form; and
- ii) For each invention, complete a copy of the “*Breakdown of patenting costs for the purpose of claiming single tax deduction for patenting costs*” sheet.

For Small and Medium Sized Enterprises (SMEs) at the time of patent application, you are required to submit the completed forms to:

- a) Economic Development Board (IP SBU) for verification; and
- b) IRAS (after verification by EDB) when the claim is being made together with your annual income tax return.

For companies larger than SMEs at the time of patent application, as you do not qualify for the Patent Application Fund Plus, you are required to submit the completed forms to:

- a) Economic Development Board (IP SBU); and
- b) IRAS (no verification required by EDB) when the claim is being made together with your annual income tax return.

6. **Contact persons**

For clarifications on the completion of this form and any other related matter, the public can contact:

Economic Development Board (IP SBU)

Telephone no: 6832 6832

Version 2, dated 11 May 2006