



## INCORPORATING A PRIVATE COMPANY IN SINGAPORE

Incorporation of a Singapore company is a regulated service which can only be provided by filing Agents licensed by the Accounting and Regulatory Authority of Singapore.

The incorporation process takes between 48 hours to a week to finalise from the time the application is submitted, depending on the name selected for the company.

We provide our company incorporation service in conjunction with our accounting and tax compliance services.



# Requirements to Incorporate a Company

## 1. Company Name

All company names need to be approved by the Accounting and Regulatory Authority (ACRA) of Singapore. This process can take from one day up to a week depending on the name selected.

## 2. Each Company requires at least one director who is ordinarily a resident of Singapore (the “local director”)

This person need not be a citizen or permanent resident of Singapore but must have a legal right to live and work in Singapore – e.g. Employment Pass (EP) holder. An EP holder may only be a director of one company, unless permission is granted by the Ministry of Manpower.

It is common for Singaporean companies to use an employee as the local director or to engage a professional (e.g. lawyer, accountant) to act in this capacity – nominee director.

It is important to note that if you engage a nominee director, they are still legally liable for any actions undertaken in the company. It is therefore important to consider whether you are comfortable to disclose company information to the nominee director.

## 3. Each Company must have a Company Secretary

In Singapore, the company secretary position is regulated by ACRA.

The Company Secretary is responsible for filing all changes and correspondence with ACRA in relation to the company.

We provide Company Secretary services to clients who engage us to provide accounting and tax compliance services.

## 4. Registered Office

The registered office is the location of the corporate documentation and files relating to the company. This is where official, legal and statutory letters will be addressed to. The registered office must be operational and accessible to the public during normal business hours, but need not be where the company conducts its activities.

We provide registered office services to clients who engage us to provide accounting and tax compliance services.

# Requirements to Incorporate a Company

## 5. Shareholders and Capital

There is no requirement for a Singapore private company to have citizens or permanent residents of Singapore as shareholders. A Singapore company can be a wholly owned subsidiary of a foreign company or foreign individual.

There is no minimum share capital requirement, however do note that commercially, businesses in Singapore look at share capital as a form of security when evaluating a company. For example, if a company wishes to enter a tenancy arrangement, the landlord is likely to view a new private company with low share capital as a risky tenant.

## 6. Principal Activities

At the time of incorporation, each company must provide details of the activities that it shall conduct.

The classification of the activities is important to get right as it has an effect on the ability to claim deductions from an income tax perspective (expenditure unrelated to the recorded business activity are non-deductible).

## 7. Customer Due Diligence

It is a requirement for all Filing Agents to undertake anti-money laundering and financing of terrorism due diligence as part of the incorporation process. The due diligence program requires the Filing Agent to identify a natural person related to the company – this may mean tracing through several layers of ownership.

As part of this process we will require the following documents:

- Copy of the photo page from passports for all directors and individual shareholders;
- Recent proof of address document (e.g. utilities notice or bank statement) for all directors and individual shareholders;
- Copy of current company search or similar documents for all corporate shareholders including corporate trustees;
- Copy of trust deed where a shareholder is a trust.

# Process to Incorporate a Company

- 1.** Once the due diligence process is complete an application to have the company name approved is sent to ACRA.

Generally this will take a day but unusual names will require more time for ACRA to review and approve.

- 2.** Once the name is approved, the formal application is sent to incorporate the company – approval is usually 24 hours.

- 3.** Once approved, a certificate of incorporation and constitution for the company will be downloaded from ACRA.

Any changes to the constitution need to be made through a Singaporean law firm. We would be pleased to introduce you to a firm if you need.

## About CST Tax Advisors

We are a specialist international tax and accounting firm with a network of international offices. Global clients across the world trust us to handle their complex cross-border tax issues.

Our Tax Advisors know each other personally and can draw on each other's specialist knowledge to provide tailored personal advice to our globally mobile clients.