ANNEX C-1: ENHANCEMENTS TO SUPPORT SCHEMES FOR INTERNATIONALISATION AND MERGERS AND ACQUISITIONS

(A) Extend the Enhanced Cap for the Market Readiness Assistance Grant

The Market Readiness Assistance (“MRA”) grant helps companies to expand into new markets overseas by defraying the costs of overseas market promotion, business development, and market set-up.

The enhanced grant cap of $100,000 per new market is scheduled to lapse after 31 March 2025. **To continue supporting local SMEs in expanding into new markets overseas, the enhanced cap will be extended till 31 March 2026**.

(B) Extend the Double Tax Deduction for Internationalisation Scheme

The Double Tax Deduction for Internationalisation (“DTDi”) scheme allows businesses to claim a tax deduction of 200% on qualifying market expansion and investment development expenses[1].

The scheme is scheduled to lapse after 31 December 2025. **To continue supporting businesses in their internationalisation efforts, the DTDi scheme will be extended till 31 December 2030**.

(C) Enhance the Enterprise Financing Scheme

The Enterprise Financing Scheme (“EFS”) enables Singapore enterprises to access financing more readily across all stages of growth. There will be two enhancements to the EFS.

First, **the maximum loan quantum under the EFS – Trade Loan will be permanently enhanced from $5 million to $10 million.** This will help businesses to meet their increased trade financing needs, especially amid elevated costs, and support their internationalisation efforts.

Second, **the scope of the EFS – Mergers and Acquisitions Loan will be enhanced beyond equity acquisitions to support targeted asset acquisitions** from 1 April 2025 till 31 March 2030. This will provide more flexible and holistic financing support for Singapore enterprises pursuing inorganic growth opportunities.

[1] For the full list of qualifying activities and expenses, please refer to: https://www.enterprisesg.gov.sg/financial-support/double-tax-deduction-for-internationalisation

(D) Extend the Mergers and Acquisitions Scheme

The Mergers and Acquisitions ("M&A") scheme allows a Singapore company that makes a qualifying acquisition of the ordinary shares of another company to claim the following tax benefits (subject to conditions[2]):

a. An M&A allowance (to be written down over five years) that is based on 25% of up to $40 million of the value of all qualifying acquisitions per Year of Assessment ("YA") (i.e., $10 million); and
b. 200% tax deduction on transaction costs incurred on qualifying acquisitions, subject to an expenditure cap of $100,000 per YA.

The scheme is scheduled to lapse after 31 December 2025. **To continue supporting companies to grow through M&A, the scheme will be extended till 31 December 2030.**

More Information

Scheme	Contact Details
Market Readiness Assistance Grant	Please contact EnterpriseSG at +65 6898 1800 or write to EnterpriseSG through their enquiry and feedback form.
Double Tax Deduction for internationalisation Scheme	Please contact EnterpriseSG at +65 6898 1800 or write to EnterpriseSG through their enquiry and feedback form.
Enterprise Financing Scheme	Please contact the respective Participating Financial Institutions (PFIs) if more information is required.
Mergers and Acquisitions Scheme	Please contact IRAS' Corporate Income Tax Helpline at 1800 356 8622.

[2] For details, please refer to IRAS' e-tax Guide on Mergers and Acquisitions scheme available at https://www.iras.gov.sg/taxes/corporate-income-tax/income-deductions-for-companies/claiming-allowances/mergers-acquisitions-(m-a)-allowance