

## **Income Tax Treatment of Grants and Financial Support**

Grants or financial support offered by government bodies, including BCA, may be subject to income tax in the hands of the recipients. In general, the tax treatment of grants is as follows (click [here](#) to learn more):

Revenue Grants	<ul style="list-style-type: none"><li>• Subject to income tax</li><li>• The grant received will be brought to tax as part of trade income</li></ul>
Capital Grants	<ul style="list-style-type: none"><li>• Not subject to income tax</li><li>• Not allowed to claim tax deductions or allowances on portion of expenditure that are funded by the grant (applies to grants or financial support approved on or after 1 Jan 2021)</li></ul>

2. Grant recipients are responsible for filing their own/ company's (where applicable) tax returns correctly. Please contact IRAS via their online chatbot or email IRAS via myTax Mail (<https://mytax.iras.gov.sg>) in myTax portal if you require further assistance or have further queries on the income tax treatment of the grant or financial support.

3. Please refer to the following table for the tax treatment of BCA's grants:

<b>S/N</b>	<b>Name of Grant</b>	<b>Nature of Grant</b>	<b>Taxable?</b>
1	<a href="#">Scholarships &amp; Sponsorships</a> <sup>1</sup>	Revenue	Y
2	<a href="#">Productivity Innovation Project (PIP)</a>	Revenue	Y
3	<a href="#">Productivity Solutions Grant (PSG)</a>	Revenue	Y
4	<a href="#">Green Mark Incentive Scheme for Existing Buildings v2.0</a>	Capital	N
5	<a href="#">Grant for Low-GWP Refrigerant Chillers</a>	Capital	N
6	<a href="#">Integrated Facilities Management (IFM) and Aggregated Facilities Management (AFM) Grant</a>	Revenue	Y
7	<a href="#">Growth and Transformation Scheme (GTS)</a>	Revenue	Y

<sup>1</sup> Refers to grants to sponsor firms.

8	<a href="#">Cities of Tomorrow</a>	Capital	N
9	<a href="#">Green Buildings Innovation Cluster (GBIC)</a>	Capital	N
10	<a href="#">Built Environment Robotics R&amp;D Programme</a>	Capital	N
11	Smart Facilities Management Proof-of-Concept Grant (Smart FM POC Grant)	Capital	N
12	<a href="#">Accessibility Fund</a>	Capital	N
13	<a href="#">BETA Programme Catalyst Funding</a>	Capital	N