

Financial Support /

Double Tax Deduction for Internationalisation



Companies planning to expand overseas can benefit from the DTDi tax deduction scheme with a 200% tax deduction on eligible expenses for international market expansion and investment development activities



DTDi supports activities across key stages of a company's overseas growth journey

Apply now




About this programme


Companies planning to expand overseas can benefit from the Double Tax Deduction Scheme for Internationalisation (DTDi), with a 200% tax deduction on eligible expenses for international market expansion and investment development activities.

- ✓ DTDi supports activities across key stages of a company's overseas growth journey, including: 

Eligibility

- ✓ Business entity resides in Singapore with a primary purpose of promoting the trade of goods or provision of services

- ✓ Businesses enjoying discretionary incentives¹ may also be allowed to qualify for the DTDi scheme on a case-by-case basis, subject to approval by EnterpriseSG or the Singapore Tourism Board 

- ✓ Project must meet the following key objectives: 

- ✓ Applications must be submitted on the DTDi portal prior to starting the project.

Benefits of DTDi

The examples below illustrate potential tax savings through DTDi when an eligible expense is not an Allowable Business Expense¹ under the Income Tax.

Case 1: Company A spent S\$10,000 to participate in an overseas tradeshow to reach out to its buyers in Europe


	Without DTDi support	With DTDi support
Revenue	S\$100,000	S\$100,000
DTDi eligible expense of S\$10,000	(S\$10,000)	(S\$20,000)
Other expenses	(S\$20,000)	(S\$20,000)
Taxable income	S\$70,000	S\$60,000
Tax payable (@ 17% as of YA2015)	S\$11,900	S\$10,200
Savings from DTDi	N.A.	\$1,700

Case 2: Company B posts a staff into an overseas subsidiary to drive its marketing efforts in-market. Staff basic salary is \$2,000 per month.

	Without DTDi support	With DTDi support
Revenue	S\$100,000	S\$100,000
DTDi eligible expense of S\$2,000 × 12 months	N.A. (If the expense is not deductible under S14 of the Income Tax Act)	(S\$48,000)
Other expenses	(S\$20,000)	(S\$20,000)
Taxable income	S\$80,000	S\$32,000
Tax payable (@ 17% as of YA2015)	S\$13,600	S\$5,440
Savings from DTDi	N.A.	\$8,160

¹ Allowable expenses generally relate to expenses incurred and related to the specified business. For more details please refer to [IRAS website](#).

How to apply

 **Register as a new DTDi user**

If you are a new DTDi user, register [here](#).

○ Submit application online

Submit your application online with your Corppass for activities:

- that do not fall under automatic DTDi
- with quantum exceeding the first S\$150,000 for that year of assessment under automatic DTDi

Applications must be submitted before project commencement.

○ Application process

We will process your application upon receipt of complete information. We may request for supporting documents to verify eligible expenses.

○ Submit evaluation forms

For approved applications, submit your evaluation forms upon project completion. We will thereafter proceed to issue a Letter of Support to support your claims with the Inland Revenue Authority of Singapore (IRAS).

○ Attach Letter of Support to IRAS

Attach the Letter of Support from EnterpriseSG to IRAS when filing the company's annual income tax return. All other relevant supporting documents (like invoices, receipts, etc), should be compliant and made available to IRAS upon request.

○ Assessment by IRAS

IRAS will assess if expenses submitted qualify for tax deductions.

View the detailed step-by-step guide [here](#).

Claims

○ After completing the project, you should submit the Evaluation Form for Enterprise Singapore to issue the Letter of Support for your claims with IRAS.

Companies are not required to submit upfront documentation to IRAS for expenditure not exceeding S\$150,000. You will, however, need to produce documentation as proof of expenditure and purpose, should IRAS request. These include the purpose and itinerary of the trip, list of companies met, invoices and receipts of the qualifying expenses.

Ready to apply?

If you are eligible for the Double Tax Deduction for Internationalisation (DTDi) incentive, submit your application on the DTDi incentive portal now.

Apply now 

Need additional help?



Read Frequently Asked Questions



Read Frequently Asked Questions on Employee Overseas Posting



Learn about other financial support schemes

For technical assistance, kindly contact us through the [Enterprise Infoline](#).

Other ways we help



Market Readiness Assistance (MRA) Grant

Support for business development, promotion and set-up costs for new overseas market expansion.

Enterprise Development Grant (EDG)

Tap on EDG for projects that help you upgrade, innovate, grow and transform your business.

Enterprise Financing Scheme

Access financing support at each stage of your business growth.

Enterprise Singapore

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