

## Double Tax Deduction Internationalisation (DTDi)

### What is DTDi?

DTDi is a tax deduction scheme aimed to encourage Singapore companies and firm (“**Businesses**”) to expand overseas by allowing providing such Businesses with 200% tax deduction for expenses incurred from the expansion and investment development activities from 1 April 2012 to 31 December 2025.

DTDi supports activities across 4 key categories:

- Market Preparation
  - Design of packaging for overseas market
  - Product/service certification
  - Market surveys/feasibility studies
- Market Exploration
  - Overseas market development trips/missions
  - Overseas trade fairs
  - Local trade fairs<sup>1</sup>
  - Virtual trade fairs<sup>2</sup>
- Market Promotion
  - Overseas advertising and promotional campaigns
  - Production of corporate brochures for overseas distribution
  - Advertising in approved local trade publications
  - Overseas Business Development
  - E-commerce Campaigns
- Market Presence
  - Overseas trade offices
  - Master licensing and franchising
  - Employee overseas posting
  - Overseas investment study trips/missions
  - Investment feasibility/due diligence studies

### Automatic DTDi

Under Sections 14B, 14H and 14I of the Income Tax Act, such Businesses may claim on the following qualifying expenses incurred on the first S\$150,000 without the need to seek prior approval from ESG or STB:

- Overseas business development trips/ missions
- Overseas investment study trips/ missions
- Overseas trade fairs
- Local trade fairs approved by ESG or STB
- Virtual trade fairs approved by ESG
- Product/ service certification approved by ESG
- Overseas advertising and promotional campaigns
- Design of packaging for overseas markets
- Advertising in approved local trade publication

Expenses exceeding S\$150,000 will require approval from ESG

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<sup>1</sup> Subject to approval by ESG or STB

<sup>2</sup> Subject to approval by ESG

### Eligibility to apply for DTDi

- Businesses resident in or having a permanent establishment in Singapore for the primary purpose of promoting the trading of goods or provision of services are eligible to apply for DTDi.
- Businesses which are enjoying discretionary incentives may also be allowed to qualify for the DTDi scheme on a case-by-case basis, subject to approval by Enterprise Singapore (“**ESG**”) or Singapore Tourism Board (“**STB**”).
- Businesses are required to submit its DTDi application prior to commencement of the activity.

### Application and approval process for non-automatic DTDi activities

