W I N G S
ELEVATING PHILANTHROPY

The **Singapore** Philanthropy Tax Incentive Scheme (PTIS): Using Conditional Tax Incentives to Build a Global Philanthropy Hub

TIER 2
Catalyser

Why this case matters

Singapore shows how governments can use targeted and conditional tax incentives to mobilise private wealth for public benefit. The Philanthropy Tax Incentive Scheme (PTIS) aligns wealth management policy with philanthropic goals, supporting cross-border giving while anchoring activity within the domestic economy.

Singapore's story of change

Introduced in 2023 and operational from 2024 to 2028, the PTIS was designed to mobilise philanthropic capital from Singapore's rapidly growing single family office (SFO) sector.

The scheme offers a 100% tax deduction (capped at 40% of statutory income) for qualifying overseas donations, subject to conditions on local presence, spending and staffing. No dedicated tax incentive existed for overseas giving previously.

This approach allows Singapore to support cross-border philanthropy while maintaining regulatory oversight and strengthening its position as a global wealth and philanthropy hub.

Relevant EE Guide recommendations

This case illustrates the following recommendation in practice:

- **Rec. 5:** Introduce or expand fiscal incentives for charitable giving

Policy lever

Conditional tax incentives for cross-border philanthropy, linked to local economic presence, regulatory compliance,and the use of approved intermediaries.

The Tax Scheme was aimed at single family offices (SFO), demonstrating how to align wealth management policy with national development objectives while maintaining transparency, anti-money-laundering safeguards and fiscal discipline. The number of SFOs grew from 1,400 at the end of 2023 to over 2,000 within a year, strengthening Singapore's position as an international wealth hub.

Country snapshot: Singapore

Country overview	▶ High-income, globally connected wealth-management ecosystem with a rapidly growing SFO sector.[1] ▶ Global Philanthropy Environment Index (GPEI) Score (2025): 4.61/5 ▶ Prior to recent reform, tax incentives for family-office philanthropy were limited; philanthropic vehicles faced a lack of pathways for cross-border giving ▶ Politically stable and pro-business, with a strong regulatory environment that balances transparency and anti-money-laundering safeguards ▶ Government strategy aims to expand wealth-management opportunities while encouraging family offices to deploy private capital for social impact
Key challenges/ barriers prior to the intervention	▶ Rapid growth of the SFO sector created an opportunity to mobilise philanthropic capital, but no dedicated tax incentive existed for overseas giving ▶ Designing the scheme required balancing public benefit, accessibility and fiscal safeguards for internationally mobile family offices ▶ Donor priorities, such as privacy, tax integrity and compliance, needed to be addressed within a single framework ▶ Lack of clear eligibility criteria and pathways for high-net-worth philanthropy limited participation
Intervention type	▶ Targeted tax incentives, clarified eligibility rules, regulated giving channels through local intermediaries, and proportionate compliance frameworks
Outcome type	▶ Introduction of a 100% tax deduction (capped at 40% of statutory income) for qualifying donations via SFOs ▶ New eligibility rules for SFOs and philanthropic intermediaries ▶ Strengthened framework for donor vehicles and cross-border giving ▶ Increased attractiveness of Singapore as a base for international family offices and philanthropic capital

1 A single family office (SFO) in Singapore is a dedicated entity that manages the assets, investments and wealth of a single ultra-high-net-worth family.

Introduction: the background

- **Why this mattered:** Singapore's philanthropy policy sits at the intersection of social and economic goals. The government has sought both to strengthen public-benefit giving and to position Singapore as a regional hub for wealth management, philanthropy and impact capital. As the family office sector expanded, enabling philanthropic capital to be deployed from Singapore became increasingly relevant to that ambition.
- **Why the opportunity was significant:** Singapore's fast-growing SFO sector represents a large and increasingly important pool of philanthropic capital. Regional evidence suggests strong giving potential, with 85% of Asia Pacific family offices making donations and an average annual contribution of USD 1.8 million per family. This growth coincided with rising charitable giving in Singapore, reaching SGD 3.55 billion in FY2023. Together, these trends created a clear opportunity to anchor more philanthropic capital in Singapore and channel it toward public-benefit purposes. At the same time, rising donor concerns about trust and scams reinforced the need for clear rules and credible giving channels.
- **Wider ecosystem context:**
  - **Philanthropy:** Singapore's philanthropy ecosystem is rooted in a long-standing ethos of social responsibility and community self-help. This is reflected in institutions such as the National Council of Social Service (NCSS), the Chinese Development Assistance Council (CDAC), the Singapore Indian Development Association (SINDA), Mendaki and the Eurasian Association (EA). Philanthropy has been part of Singapore's social contract since its independence and is now further formalised through frameworks such as the NCSS Sustainable Philanthropy Framework, which promotes structured and strategic giving.
  - **Business and financial ecosystem:** Singapore's role as a global financial and business hub is shaped by institutions such as the Monetary Authority of Singapore (MAS), the Singapore Economic Development Board (EDB), Enterprise Singapore, and the Ministry of Trade and Industry (MTI). Together, they have created a dense ecosystem of financial institutions, multinational firms, professional services and private wealth actors, including family offices.
- **The gap that created the need for reform:** Before PTIS took effect in 2024, Singapore's tax system mainly supported donations to approved domestic causes, with no equivalent incentive for overseas giving. This created a mismatch between the global outlook of many SFOs and the domestic limits of the tax framework.
- **The barrier and opportunity identified:** For globally oriented family offices, the absence of clear incentives and pathways for overseas giving reduced the attractiveness of Singapore as a base for international philanthropy and risked pushing some giving activity offshore. At the same time, the rapid growth of the SFO sector created an opportunity for the government to anchor more of this activity in Singapore and connect private wealth more deliberately to public-benefit outcomes.
- **Why the reform was timely:** The reform emerged during a period of rapid growth in Singapore's family office and wealth management sectors, alongside rising charitable giving and growing policy interest in structured philanthropy. Public statements by senior leaders also signalled a broader intention to align wealth management with social impact.

- **The intervention chosen:** PTIS introduced a tax incentive for qualifying overseas giving, but in a conditional and carefully bounded way.[2] Rather than offering an open-ended deduction, access is tied to Singapore-based family offices that meet requirements for local spending and staffing. This supports cross-border philanthropy while ensuring activity remains anchored in Singapore's domestic ecosystem.
- **Why this approach made sense in context:** PTIS builds on an already mature philanthropic environment, including strong regulatory capacity, trusted institutions, and a well-developed advisory sector. Rather than creating a new system, the scheme adapts an existing one to support a more globally active family-office base.

Intervention: the what

The PTIS introduced by the MAS in 2023 addresses a key gap in the tax framework by aligning wealth-management incentives with philanthropic objectives. It also supports Singapore's positioning as a hub for both global finance and structured, impact-oriented giving. Key highlights:

- **Tax incentive for cross-border giving:** A 100% tax deduction for qualifying overseas donations, capped at 40% of statutory income, directly addressing previous limitations on cross-border giving.
- **Eligibility linked to local presence:** Access is restricted to SFOs that meet requirements on minimum assets, local staffing and ongoing expenditure in Singapore, ensuring the benefit is tied to organisations with a meaningful presence in the country.
- **Time-bound and integrated design:** The Scheme runs from 1 January 2024 to 31 December 2028, in line with Singapore's use of sunset clauses to allow for periodic review. It is linked to existing fund tax incentive schemes (S13O and S13U), which were extended to 2029 with stricter economic criteria, including higher minimum assets under management, tiered local spending requirements and mandatory MAS-approved screening reports for new applicants. This strengthens oversight and ensures that access to philanthropic incentives remains tied to substantive activity in Singapore.

2 In addition to PTIS, Singapore introduced the **Overseas Humanitarian Assistance Scheme** (OHAS), a narrower and lower-profile tax incentive, piloted from 1 January 2025 to 31 December 2028. To qualify, donations must go through designated charities with strong safeguards and support emergency humanitarian fundraisers holding a valid Foreign Charitable Purposes (FRFCP) permit from the Commissioner of Charities, underscoring broader challenges in translating tax incentives into actual giving behaviour.

Role of key actors

Institution	Broader institutional role	PTIS-specific role
MAS	Singapore's central bank and integrated financial regulator. MAS oversees monetary policy, financial regulation and the development of Singapore's financial and wealth management ecosystem, including frameworks relevant to family offices.	MAS determines SFO eligibility under existing tax incentive regimes (Sections 13O and 13U) and approves PTIS applications, providing regulatory credibility and assurance to participating wealth holders.
Inland Revenue Authority of Singapore (IRAS)	Singapore's national tax authority. IRAS administers and enforces Singapore's tax system, including tax incentives and oversight of tax-deductible donations.	IRAS administers the 100% tax deduction for qualifying overseas donations under PTIS and issues the official tax guidance, including the detailed e-Tax Guide.
Operational requirements	- Appointment of a resident Philanthropy Professional to manage activities - Minimum SGD 200,000 in additional local business spending annually - Hiring of additional local professional employees - Routing overseas donations through Qualifying Local Intermediaries (QLIs)	
Conditions and compliance	To be eligible for the incentive and ensure integrity, the scheme imposes specific compliance requirements: - **Intermediary mandate:** Donations must go through QLIs, such as MAS-approved grantmakers, to ensure traceability and reduce the risk of misuse - **Economic requirements and local talent acquisition:** SFOs must meet local spending and hiring conditions, including appointing a Singapore-based philanthropy professional. A six-month approval window allows time to meet these requirements - **Integrated oversight and compliance:** PTIS is aligned with the broader SFO regulatory framework, including strengthened anti-money-laundering safeguards and reporting requirements	

Implementation: the how

The PTIS evolved from a clear strategic intent, progressing rapidly from policy conception to legislative enactment in just 17 months. This pace was supported by Singapore's existing institutional ecosystem, strong political signals and coordinated policy design.

Milestone	Timing	Event	Key policy choice/decision
Strategic positioning	**September 2022**	The initial mandate was set by MAS in its Financial Services Industry Transformation Map 2025 (ITM 2025). This signalled dual objectives: integrating wealth management with social contribution and positioning Singapore as "Asia's centre for philanthropy".	The government framed philanthropy as part of Singapore's broader wealth-management and financial-services strategy, rather than as a standalone charity measure.
Fiscal com-mitment	**February 2023**	The policy was formally announced and funding was committed in the National Budget 2023. The technical details were released in the Annex of Tax Changes.	Established the government's commitment to encouraging private philanthropy.
Legislative design and industry input	**June 2023**	The Ministry of Finance included PTIS-related amendments in the draft Income Tax (Amendment) Bill 2023 and initiated the formal public feedback mechanism.	The government chose to test the tax mechanics through formal consultation before enactment.
Regulatory alignment	**July 2023**	MAS launched a separate consultation on SFO regulatory requirements, including tighter anti-money-laundering safeguards and reporting obligations.	Rather than introducing a philanthropy incentive in isolation, MAS aligned PTIS with stronger compliance rules for family offices.
Operational rollout	**January 2024**	PTIS took effect on 1 January 2024 for a fixed period through 31 December 2028, supported by guidance from IRAS.	The government adopted a time-bound scheme with clear administrative guidance and shared institutional roles.

Outcomes and early signals of impact

There are early signs of impact:

- **Rapid growth in SFOs:** Singapore has seen a rapid growth in SFOs, from about **400 in 2020 to over 2,000 by the end of 2024**. Previously, tax deductions applied mainly to domestic donations, leaving a gap for internationally oriented giving.
- **Broader increase in giving:** Philanthropic activity has expanded significantly. Donations reported in Singapore's Biggest Philanthropic Organisations 2024 reached SGD 431 million, a **96% increase** from the 2022 edition. While this cannot be attributed solely to PTIS, it coincided with clearer rules, more structured giving channels and rising interest among family offices. Surveys also indicate growing momentum, with **over 70%** of family office professionals expecting philanthropy to increase further.
- **Ecosystem strengthening:** PTIS helps anchor philanthropic activity in Singapore while reinforcing its attractiveness as a base for globally active family offices. Its main contribution appears to be in signalling policy support, encouraging more structured cross-border giving and strengthening Singapore's position as a credible philanthropy hub.

Caveats for Policymakers

- **Limited and non-disaggregated data:** Available data does not clearly distinguish between domestic and overseas giving, as overseas donations are only reported when tax relief is claimed. This makes it difficult to assess the scheme's impact and highlights the need for more disaggregated data.
- **Impact is difficult to isolate:** Recent increases in philanthropic giving cannot be attributed solely to PTIS, but reflect broader policies, initiatives and ecosystem developments.
- **Complex implementation and narrow scope:** Practitioners noted that PTIS has been cautious in design and relatively complex to operationalise. Its impact may also be constrained by strict eligibility and compliance requirements, as well as the relatively low tax exposure of some family offices.

Lessons for policymakers

Singapore's experience shows that tax incentives for philanthropy are most effective when embedded within a broader enabling ecosystem, rather than used as standalone tools. PTIS was introduced in a context of strong regulatory capacity, a mature financial and advisory sector, and clear political support for linking philanthropy to wider economic and social goals.

Key lessons include:

- **Do not rely on tax incentives alone:** Tax benefits are unlikely to drive significant behavioural change unless they are backed by clear rules, trusted intermediaries, advisory support and practical giving channels. In Singapore, large-scale complementary mechanisms, such as match-funding schemes, fundraising programmes (e.g. Tote Board's Enhanced Fundraising Programme) and institutional platforms (e.g. Temasek Trust's Philanthropy Asia Alliance and Co-Axis) help translate philanthropic intent to deployable capital.
- **Design incentives with conditions to support national priorities:** PTIS demonstrates how tax incentives can be structured not only to encourage giving but also to support national priorities, such as local spending, professional services and locally anchored philanthropic activity.
- **Provide clear and predictable pathways for cross-border giving:** One of PTIS's key contributions is reducing uncertainty around how international philanthropy fits within domestic tax rules. Clarity and predictability can be as important as the incentive itself.
- **Integrate philanthropic policy into wider national strategy:** In Singapore, PTIS is part of a broader effort to position the country as a hub for philanthropy and impact capital. Linking incentives to wider policy goals, such as investment attraction or financial-sector development, can strengthen their impact.
- **Sequence reforms according to ecosystem maturity:** Countries with less developed philanthropic systems may need to prioritise regulatory clarity, transparency and trusted giving channels before introducing more complex incentive schemes.
- **Safeguard the tax base and public finances:** Incentives should be carefully designed and monitored to ensure they do not reduce overall tax contributions or undermine public services.

Finally, but crucially:

- **Policy signals matter, but ecosystems matter more:** While PTIS signals government support for cross-border philanthropy, its impact depends on the surrounding ecosystem. Strong institutions, clear pathways and complementary mechanisms are essential to translating incentives into meaningful giving at scale.

Final reflections

PTIS shows that tax incentives are most effective when linked to regulation, local economic activity and strong giving infrastructure, rather than offered as standalone tax breaks. More broadly, mobilising private wealth for public good requires more than fiscal incentives. It depends on a coherent governance framework, strong institutions, a coordinated philanthropy ecosystem and a clear policy intent that gives private actors confidence to contribute and engage.

While PTIS remains in early implementation, its design offers relevant lessons for other emerging family office hubs:

- **Africa:** With private wealth projected to reach USD 3 trillion by 2030, there is growing interest in channelling long-term capital toward infrastructure and development.
- **The Middle East:** Facing a massive USD 1 trillion intergenerational wealth transfer by 2030, the region is rapidly professionalising its family office ecosystem to manage more structured approaches to philanthropy.
- **Latin America:** As private capital markets deepen, demand is increasing for governance frameworks that channel private wealth into credible, transparent philanthropic activity.

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Interview

- Stacey Cho, Co-Founder, *Real Impact Advisors*