

**ANGEL INVESTOR TAX DEDUCTION (AITD) FREQUENTLY ASKED QUESTIONS (FAQs)****1. Why is the government not extending the AITD scheme? Are there any schemes available to replace the AITD?**

In order to maintain the resilience and progressivity of the tax system, the AITD scheme will lapse after 31 March 2020.

The AITD scheme was introduced in 2010 to stimulate business angel investments into innovative Singapore-based startups. Since then, Singapore has introduced a wide range of schemes to help Singapore-based startups obtain access to funding and to scale up. These include the Enterprise Financing Scheme for loan financing, and the Startup SG schemes for financing and non-financing related support, ranging from co-investments and proof-of-concept grants, to mentorship and physical space. In addition, Enterprise Singapore also facilitates connections between angel investors and startups via an online portal, Startup SG Network (SSN). Through SSN, angel investors can connect directly to Singapore-based startups who are looking for angel investors and mentors.

You may refer to the Startup SG site: <https://www.startupsg.net> for the full suite of startup initiatives.

Within the angel investment community, we also see new angel networks formed by like-minded angel investors to support both investors and startups. The Government will continue to work closely with these angel networks, such as AngelCentral, Business Angel Network (South East Asia), She1K, XA etc, and the rest of the startup community, to facilitate connections between angel investors and entrepreneurs, and keep them updated on the latest developments in the local startup community.

**2. What is the cut-off date for application to become an approved angel investor?**

Applicants will need to apply to Enterprise Singapore (ESG) and obtain approval by 31 March 2020 in order to enjoy the approval status. ESG will not accept any applications after 31 March 2020.

**3. Will I be impacted if my status expires before 31 March 2020?**

No, there will not be any impact on your status or your ability to claim the AITD so long as the criteria under the scheme have been met.

**4. My approval status lasts beyond 31 March 2020. Does this mean that my status will be cut short? Will the qualifying investment(s) I make after 31 March 2020 qualify for the AITD?**

Angel investors approved on or before 31 March 2020 can continue to be granted the AITD for qualifying investments made during the period of their approved angel investor status, subject to them satisfying conditions under the scheme.

**5. Do I still need to satisfy the requirement to make qualifying investments within one year from the start of my approval status? Are there any changes to the other requirements under the scheme?**

The first qualifying investment would still need to be made within one year from the start date of your approval status. All other conditions under the scheme remain unchanged and need to be met in order to be granted the tax deduction under the AITD.