

Incentives in the cloud

Singapore's virtues as a business hub are well known: a strategic geographical location, cosmopolitan city, robust intellectual property protection regime, good trade connectivity and easy access to global talent.

Singapore has again been awarded the title of the world's easiest place to do business, retaining this honour for a sixth straight year. For its 'Doing Business' report, the World Bank researched information on changes in legal frameworks, administrative procedures and technical obstacles in launching or expanding a business.

In today's digital age, infocomm service companies are being attracted to Singapore thanks to its excellent technology infrastructure and forward thinking policies and planning. According to the World Economic Forum's 'Global Information Technology Report 2010-2011' Singapore is the second most network-ready country in the world, and the first in Asia.

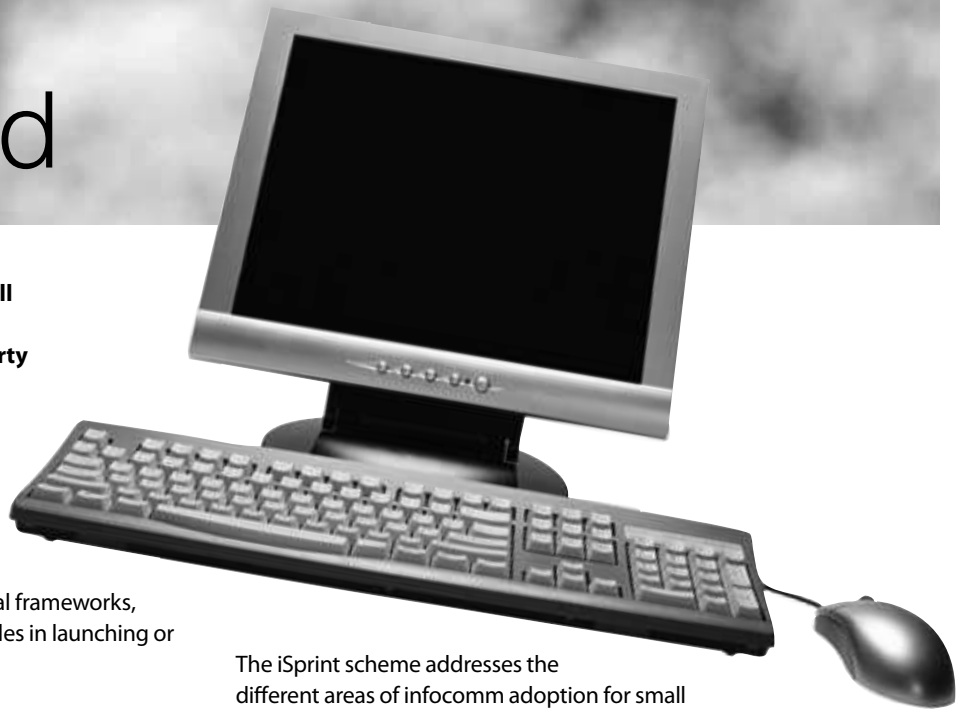
With continuing improvements, such as the Intelligent Nation 2015 Master Plan and the National Broadband Network roll-out, Singapore will further set itself up as an ideal location for all businesses making use of the available infrastructure.

AustCham member Stephen Humphries, Managing Director, from ASAP Recruit has recently partnered with SingTel to exclusively deliver the ASAP Recruit software to businesses throughout Singapore.

Stephen says he is particularly impressed with the Singapore Government's introduction of several new schemes that can significantly help businesses make further investments in technology.

"The Singapore Government is once again showing how innovative it is by encouraging business to adopt new cloud computing and other computing technologies with the aim to improve business productivity throughout Singapore," says Stephen.

"Infocomm Development Authority (IDA) of Singapore has recently included cloud computing, software-as-a-service and other cloud services under its Productivity and Innovation Credit (PIC) scheme. Additionally, the iSprint grant program is also available through IDA to further assist businesses to adopt and transform to new technology."



The iSprint scheme addresses the different areas of infocomm adoption for small to medium enterprises, making it easy and convenient for these businesses to seek assistance when improving their systems. It provides grants of 50-70% of costs, up to S\$10,000 spent per year for software-as-a-service and other qualifying packages.

The scheme supports customised solutions and the packaged solutions pre-qualified by IDA, as long as the project involves the use of technology to improve the company's business operations, resulting in efficiency and productivity gains, increased revenue or value-add for the business.

"A combination of both the PIC and the iSprint schemes can also apply, if eligible," says Stephen. "If businesses have been considering investing in technology to improve productivity then I suggest now is the time to act." www.asaprecruit.asia

Productivity and Innovation (PIC) scheme

- 400% tax deduction on up to S\$400,000 spent per year, or convert S\$100,000 per year into a cash payment at S\$30,000 for 2011-12 and at S\$60,000 for 2013-15

For example, a typical expenditure of S\$10,000 would provide:

- a normal tax saving of S\$1700 without PIC or
- a tax deduction with PIC of S\$6800 or
- a cash payment with PIC at 60% of S\$6000.

Qualifying claimable activities are:

- acquisition/lease of prescribed automation equipment
- training of employees
- acquisition of intellectual property
- registration of intellectual property
- research and development activities
- approved design projects.