



Impact of BEPS 2.0: How risky is the road ahead for Singapore family offices?

A spotlight on the risks and opportunities that lie ahead



Tax Alert Issue 13 | September 2023

As a leading business hub and the gateway to Asia, Singapore is well-regarded among high-net-worth individuals as an ideal base for family offices and private wealth management. More than half of the family offices in Asia today are estimated to be located in Singapore, according to KPMG and Agreus' 2023 Global Family Office Compensation Benchmark Report.

However, with the Base Erosion and Profit Shifting (BEPS) 2.0 Pillar Two rules, family offices based in Singapore that are within scope could find it challenging to cope with a 15% incremental tax burden on their investments, as this will be a significant jump from the 0% tax that most currently enjoy due to tax incentives. Many are also not yet equipped with the right resources or talent to cope with new reporting and compliance requirements.

In an opinion editorial published in The Business Times, KPMG in Singapore's Andy Baik and Pearlyn Chew highlighted the challenges Singapore family offices will face when the BEPS Pillar Two rules are introduced in 2025 and the opportunities available for reconsidering anchoring their investments in Singapore.

Read the opinion editorial [here](#).

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