Family Offices: Sections 13O and 13U and the Single Family Office

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

At the end of 2020, about 400 single family offices in Singapore held a tax incentive granted by the Monetary Authority of Singapore. Four years later there were more than 2,000, a level the figure has held since.[1] Few parts of the financial centre attracted so much public attention in those years. The family office became the symbol of Singapore's new role as a home for Asian private wealth. After 2023 it also became a symbol of the risks that such wealth brings with it.

This chapter examines the legal framework that made the growth possible and the conditions that the state attached to it. The tax incentive is granted to the investment fund that holds the family's assets, under sections 13O, 13OA and 13U of the Income Tax Act 1947. The family office that manages the fund is not licensed, although since June 2026 it must notify the regulator and file annual returns. The chapter describes the rise of the single family office, the tax schemes and their conditions, the licensing exemption and the supervisory expectations, the requirements of substance, local spending and local investment, and the scrutiny that followed the money laundering case of 2023. It closes with practical consequences for families and their advisers and with a comparison with Geneva and Hong Kong.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

The Geneva volume described the family office as a product of the private banking tradition of that city, where families and their advisers built such structures long before the law took notice of them. Singapore offers the opposite case. Here the state designed the conditions under which family offices would settle, set numerical thresholds for their size, staff and spending, and adjusted those thresholds whenever the policy balance shifted. The family office regime is therefore a compact illustration of Singapore's method as a financial centre: an incentive with conditions, administered by a regulator with wide discretion and revised in short cycles.

Essentials

A single family office manages the wealth of one family and serves no third-party clients, which is why Singapore does not license it. Tax exemption is granted to the fund vehicle under section 13O or 13OA (S$20 million in designated investments for family office funds) or section 13U (S$50 million), subject to conditions on investment professionals, local spending, local capital deployment and a private banking account. The number of family offices with such incentives rose from about 400 at the end of 2020 to more than 2,000 at the end of 2024 and 2025. Since 15 June 2026 every single family office must meet the conditions of a class exemption, notify MAS within 14 days of starting business and file annual returns, with existing offices given until 15 June 2027. The money laundering case of 2023, in which six incentivised family office funds were linked to the convicted persons, led to stricter screening and to closer reliance on banks as gatekeepers.

Notes

1. Monetary Authority of Singapore, written reply by Gan Kim Yong, Deputy Prime Minister and Minister for Trade and Industry and Chairman of MAS, to a parliamentary question by Assoc Prof Jamus Jerome Lim, 5 February 2025 (mas.gov.sg, "Written reply to Parliamentary Question on licensing of SFOs under the SFA"): the number of SFOs awarded tax incentives grew from about 400 as at end 2020 to over 2,000 as at end 2024. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com