Productivity and Innovation Credit (PIC) — Singapore's 400% Tax Deduction and Cash Payout for Firm Upgrading, Reaching 102,000 Companies Before Abuse and Expiry

City Innovation Library · Good practice · Singapore

Quality score: 33/100

Evidence strength: Cautionary / limited

Summary

Broad-based Singapore tax credit (2010–YA2018) giving 400% deductions or a cash payout on spending such as IT/automation, training and R&D.; It reached 102,000 companies, but IRAS audited ~30% of cash-payout claims amid abuse, and it lapsed after YA2018.

Key dimensions

Dimension	Score
Evidence of impact / measured results	1/3
Transferability / demonstrated replication	1/3
Scalability	2/3
Sustainability / continuity	0/3
Innovation	1/3
Inclusiveness / equity	1/3
Multi-stakeholder collaboration	1/3

Evaluated by C-NAPSE

Data sources

C-NAPSE web research — accessed 2026-11-20

Inland Revenue Authority of Singapore (IRAS) / Ministry of Finance — accessed 2026-11-20

MOF: Investigations into PIC claims (Mar 2016) — accessed 2026-11-20

KPMG: Singapore Budget 2016 tax alert (PIC lapse) — accessed 2026-11-20

Singapore Police Force: S$11.8m PIC fraud conviction (2022) — accessed 2026-11-20

Pinsent Masons Out-Law: IRAS reclaims fraudulent payouts — accessed 2026-11-20

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