Written Representation 101

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Received: 2 Mar 2018

ABSTRACT

The following submission represents our collective views on what Deliberate Online Falsehoods ("DOF") mean and what countermeasures should best be adopted to combat them while maintaining that we do not detract from fundamental liberties (especially Article 14). We are of the view that the legislation implemented must uphold the rule of law while putting society's interest at the forefront. The submission places a large focus on the Terms of Reference ("TOR") (d).

We will examine the definition of falsehoods, our envisioned principles guiding Singapore's response as well as suggest several guidelines or legislation that could be adopted. We humbly submit that the views and opinions expressed in this submission are those of the authors, and do not reflect the entire views of our University.

DEFINITION OF FALSEHOOD

From literature reviews, we would like to adopt the definition that falsehoods comprises of two main elements. The first would be whether there or not is veracity, or facticity in their view. Falsehoods generally encompass very little, or no truth in them and are misleading. The second element would involve the intention behind the news, and the degree to which the author of fake news intends to deceive[1]. The parties spreading falsehoods usually have an intention to harm or cause social and political disruption in the societies they choose to target. In our opinion, it is imperative to consider the intention behind falsehoods, as innocent mistakes in reporting news, or satirical pieces, should not come under the purview of falsehoods. The crucial element of falsehoods is that they are *intended* to attack and harm individuals or institutions.

CONSEQUENCES OF FALSEHOODS

In the case of Singapore, the spread of falsehoods threatens religious and racial, as well as the political security in society. The biggest threats Singapore face in terms of the spread of DOF would be attacks aimed at sowing discord among religious and racial harmony, and those undermining political developments and interference in elections.

These two aspects are considered by the Singapore government to be the most vulnerable to the malicious spread of DOF, and instability in these two aspects of society would result in severe social rifts.

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[1] *"Audiences' acts of authentication in the age of fake news: A conceptual framework" Richard Ling, Debbie Goh, Andrew Duffy, Edson C Tandoc Jr, Oscar Westlund*

Similarly, an example of the spread of false news about the credit issue of a bank could result in it closing down, and suffering real capital loss due to a large proportion of the population withdrawing their assets.

It has been reported that online falsehoods may have pushed people to vote in favour of Brexit. The biggest false claim was that leaving the EU would provide a £350m-a-week bonus for the NHS from the UK's contribution to EU coffers. Many Brits thought that this benefit massively outweighed the cons, and eventually voted to leave the EU.

MOTIVATIONS

We examined why individuals or organizations would want to spread online falsehoods to attack institutions.

In the case of politics, character assassination might be a big motivation. One could utilize the spread of falsehoods to target politicians or a political party and undermine its integrity. However, in the case of Singapore, the bigger motivation behind the spread of falsehoods might be simply to cause chaos. This may be the motivation even in the case of foreign actors attempting to attack the racial, religious, political rifts in our society.

Singapore, although small, is a key player in ASEAN and a key node for trade, finance and communications. To advance their interests in the region, foreign powers may seek to manipulate Singapore through these means.

There are already instances of people using the Internet to interfere with other countries' politics. They tend to possess powerful resources and advanced Internet technology. They can fabricate false news to infuriate people in another country, cause domestic turmoil and may even influence regime change. This was seen in the case of Russia interfering in the 2016 American elections. It was estimated that 126 million Americans were exposed to 80,000 pieces of Russian-linked content targeted to influence the outcome of the 2016 US Presidential Elections.

GAPS IN LOCAL LEGISLATION CURRENTLY

Current legislation cannot adequately address the problem due to the limited outreach because of the sheer volume of online activity, as well as the presence of anonymity. The gap in local legislation is evident in the prevention aspect, where there is a lacuna in the current laws to adequately prevent the creation and spread of online falsehoods.

The *Maintenance of Religious Harmony Act* allows individuals to impose a restraining order against persons making religious or racial comments that could incite violence or hatred. However, DOF have a big sphere of influence with the sheer number of Singaporeans on the internet. It would not be practical to implement this legislation to prevent the spread of falsehoods, especially when thousands of individuals are involved.

The *Internal Security Act* and *Sedition Act* only cover the spread of falsehoods via printed media, or through oral speech. They do not address the issue of online falsehoods at all, which shows the obvious gaps in the present legislation.

We are of the opinion that there could be changes made to the *Telecommunications* Act, with regards to the *mens rea* element present in Section 45 – "which he knows to be false or fabricated". An individual who is sharing false news, say on Facebook, is not going to actively check whether the news is fake unless he has reason to believe that it is untrue. It is submitted that the *Telecommunications Act* only imposes a punishment on the initial person who spread or created the news, with the knowledge that its content is untrue. It does not address the numerous individuals who continue to share links, or the news outlets who post it on their websites for large audiences to see.

There is current legislation preventing foreign actors from funding elections and being members of political associations. Legislating against these actions prevent foreign actors from gaining control of our political landscape by furthering their own agenda.

What is lacking therefore, is that there is no explicit measure preventing foreign actors from doing the same, but through the spread of falsehoods and fake news targeting our local political figures or institutions.

Similar legislation should apply to cyberspace, especially since Singaporeans are so attuned to the internet, making them much more susceptible to the spread of falsehoods that might threaten the political safety of our country.

PRINCIPLES GUIDING OUR COUNTER-MEASURES

We submit that "responsibility" is key. It is every citizen's duty to be a responsible citizen to prevent the virulent spread of DOF. Given the nature of DOF, it is necessary that everyone plays a part. This forms the justification to punish, if the need arises, to prevent the spread of DOF.

There is also a need to maintain a *balance* and ensure proportionality in the countermeasures. Given Singapore's multiracial and multicultural backdrop, there is a tension between maintaining the social stability of our society, especially in the event of a clear and present danger and not contravening the fundamental liberty to freedom of speech and expression. This also reflects part of Singapore's total defence, mainly psychological defence and social defence.

We note that Article 14 of the Constitution of the Republic of Singapore, guarantees to Singapore citizens the rights to freedom of speech and expression, peaceful assembly without arms, and association. However, the enjoyment of these rights may be restricted by laws imposed by the Parliament of Singapore on the grounds stated in Article 14(2) of the Constitution. We also took into consideration the need to uphold the rule of law. More specifically, the law applies equally to all and the law must afford adequate protection of fundamental human rights.

PROPOSED COUNTER-MEASURES

As such, we propose that the countermeasures against DOF should comprise of both legal and non-legal measures. Thus, this represents a multifaceted approach aimed at the entirety of DOF.

We have characterized the countermeasures under categories such as *Penal, Disclosure, Incentives* and *Education*. Under *Penal*, we recognize that it is arguably a form of patriarchal approach, which provides the Government with the means to intervene under certain circumstances. Under *Disclosure*, the rationale turns on the fact that the public discerns information for themselves. Under *Incentives,* the assumption is made that corporations have profit-maximisation motives. *Education* is centred on digital literacy but this is a long-term measure that is aimed to improve cyber wellbeing of citizens and to prevent to virulent spread of DOF. We are of the opinion that a multi-pronged approach is best catered to suit the needs of DOF.

PENAL PUNISHMENT

Amendment of *Telecommunications Act*

Under the category of *Penal Punishment*, we propose the amendment of the *Telecommunications Act*. As mentioned previously, it is ineffective in properly addressing the spread of online falsehoods. The circulation of falsehoods is hard to circumvent, given how quickly they go viral today. Hence, our proposed legislation will aim to target the subsequent parties involved, to prevent the virulent spread of falsehoods.

Firstly, we propose the need to for the Select Committee to consolidate the definition of “falsehoods”. Our group submits that any publication that (a) is manifestly materially false, and (b) appears to the platform to be an "unlawful publication” should be construed to be a falsehood. As for what constitutes an “unlawful publication”, we examined Germany's Network Enforcement Act *(Netzdurchsetzunggesetz)*. Germany identifies specific offences that falls within the purview of an unlawful publication. This avoids the issue of determining the degree of falsity in a publication as we can make do with calibrating how 'serious' or 'racially disharmonious' or 'political' the publication must be.

As such, we have borrowed Germany’s idea of using existing penal legislations, to come up with several of our own that falls within the list of an unlawful publication.

[Proposed] An "unlawful publication" is a publication that:

- fulfils the requirements of an offence in
- Ch V (abetment),
- Ch VI (offences against the state),
- s 153 (Wantonly giving provocation, with intent to cause riot),
- s 267C (Making, printing, etc., document containing incitement to violence, etc.),
- s 298A (Promoting enmity between different groups on grounds of religion or race and doing acts prejudicial to maintenance of harmony),

- s 499 (defamation),
- or Ch XXII (criminal intimidation, insult and annoyance) of the Penal Code, and
- is neither excused nor justified.

Next, we also examined the wording of Section 45 of the Telecommunications Act. Any person who transmits a manifestly unlawful message of which he knows or ***ought to have known*** to be false will be liable of an offence. The *mens rea* is now set at what a person "...knows or ought to have known", thus setting an objective yardstick ascertained from the perspective of an objective, reasonable man. This reiterates the principle of "responsibility" placed on each citizen to exhibit scrutiny on the publication to prevent hasty reposts of DOF. It is noted that there ought to be prosecutorial discretion as the amendment now widens the scope of potential offenders, and the legislature must decide the appropriate quantum of punishment.

Blocking Access to DOF

We also examined how to block access to DOF. We propose having different entities responsible for removing falsehoods in largely different circumstances. We will discuss how social media platforms, the judiciary and the executive could remove online falsehoods.

APPROACH TO REMOVING ONLINE FALSEHOODS

	Prong 1: Social media platform's power	Prong 2: Judicial power	Prong 3: Executive power?
Who is responsible for requiring removal	Social media platform	Court on the application of any person	Minister
Whose falsehoods are removed	Anyone who spreads falsehoods on social media	Anyone who spreads falsehoods online	Anyone who spreads falsehoods online, excluding the executive
Content of publication	• Manifestly materially false • Appears to be "unlawful publication"	• Materially false • "Unlawful publication"	• Materially false • Gravely threatens Singapore's security or economic life
Speed of removal/order	24 hours	Depends on speed of court process	ASAP
Avenue for accountability	Platform's commercial interests	Appeal process	Objection to President

Social media platforms have immediate access to and control of user accounts, unlike the government, and they play a central role in spreading information. Thus, we recommend giving them some responsibility for removing publications that spread falsehoods.

[Proposed legislation]

Rationale: Access, control, central role

A social media platform must remove any publication that:
(a) is manifestly materially false, and
(b) appears to the platform to be an "unlawful publication"
within 24 hours of receiving a complaint about the publication. If the social media platform fails to remove the publication, it is liable to a **fine**.

This provision is based partly on Germany's Network Enforcement Act. Like in Germany, the trigger for this provision is a complaint. It would be unduly onerous for Facebook, for example, to have to vet every single post made. The publication must be *manifestly* materially false and must appear to be an unlawful one. Facebook may not be able to simply discern a false publication, thus it must be *manifestly* materially false. Otherwise, social media platforms might unduly infringe freedom of speech by removing posts that they are unsure about because they do not want to risk a fine. There is no issue of executive powers detracting from our fundamental liberties. The social media platform, not a branch of government, will assess if a post should be removed. It would not be in their commercial interests to detract from freedom of speech by indiscriminately removing posts. If Facebook keeps deleting users' posts, users might move to another platform.

The second prong involves giving the judicial power to remove access to certain posts. It appears that there is no issue of executive powers detracting from fundamental liberties. The appeal process provides a safeguard against abuse of judicial power

[Proposed legislation]

Rationale: Judicial expertise

If, on the application of any person, including the Attorney General, the **Court** is satisfied on the balance of probabilities that the publication is materially false and is an unlawful publication, the Court may make the following orders:
(a) no person shall publish or continue to publish the publication; and
(b) no internet intermediary shall allow access to the publication through the intermediary's service.

• Any person who contravenes an order is liable on conviction to a fine &/or imprisonment.
• "Internet intermediary" includes third-party content hosts, such as blog sites, discussion forums, and social media; internet service providers; and search engines.

The third prong will involve the executive power.

[Proposed legislation]

If the Minister is satisfied that a publication is materially false and gravely threatens the security or economic life of Singapore, the Minister may by order published in the *Gazette* prohibit the republication or continued publication of the publication.

Any person who contravenes an order is liable on conviction to a fine &/or imprisonment.

Intra-branch check:
• Any person who is a publisher, republisher or author of the publication which is the subject of such an order may, within one month of the date of publication of the order in the *Gazette*, make an objection against the order to the President.

However, there may be potential problems arising from giving the executive relentless control. Executive power to censor publications is undesirable, as there could be potential backlash due to the erosion of citizens' trust. We submit that the Select Committee should examine the legal limits given to the Executive in this area.

Countermeasures that grant executive power may not be best to ensure protection of fundamental liberties. To ensure protection of fundamental liberties, countermeasures cannot expand executive power.

There is a need to balance between preventing access to DOF and providing information to people to assess the truth of the publication.

DISCLOSURE LAWS

Laws requiring the disclosure of sponsors for content have been considered elsewhere. The USA, for instance, is considering applying this law to online political advertisements, requiring political advertisements to be qualified with a disclaimer that is highly visible and easily accessible to the person viewing the advertisement. Similar laws are being considered in Germany and France.

While none of them have been passed, they should work to reduce the effectiveness of online falsehoods without overtly censoring anybody. There are often real motivations behind the spreading of online falsehoods; the party responsible may want the public to vote a certain way, or they may want to discredit other people or even undermine public trust in public institutions. Not every falsehood will be, or should be, punished under existing laws regulating speech, but a law requiring the disclosure of sponsors can instead combat the larger sphere of online falsehoods by revealing the motivations and discrediting them.

Singapore is to adopt this measure, however, a few issues should be considered:
1. What kind of content should this law apply to?
What separates Singapore from the other countries mentioned on this issue is the scope of online falsehoods. The USA is only considering applying the law to political

advertisements, but by using “online falsehoods” broadly, it appears that the Select Committee intends to apply this law to the whole online world. This would be needlessly harsh since there are many online content providers that may be affected by this even if the content they provide is of a nature that cannot be understood by any reasonable person to have an impact, false or not. It would be helpful if there are clarifications on whether there are qualifications to the term “online falsehoods”.

2. Which parties should this law apply to?
There are parties that should clearly be included in the scope of a law requiring disclosure of sponsors; to name a few: newspaper companies, broadcasters, and political figures. There are also parties that should clearly not be affected by this law, like most individual members of the public.

There is, however, a large grey area on this matter. Consider the following groups, for instance:

- Websites that do not provide content of political nature
- Celebrities
- Social media groups
- Members of political parties

It is not so clear whether this law should apply to them. One posits that a law requiring a disclosure of sponsors should be as restrictive as possible since a law requiring disclosure would also imply an intrusion into the privacy of individuals.

3. How would this law interact with Article 14 of the Constitution?
The trickiest issue would be how a disclosure law affects individual rights to free speech under Article 14(1) of the Constitution. It is possible that a disclosure law may create a stifling environment that may for people into silence since it then becomes difficult to present or argue on anything without being castigated over sponsors. There is no legal position on whether such a soft restriction amounts to a violation of rights because Article 14 has not been tested in Singapore’s courts that way.

If it can be proven that a disclosure law amounts to a restriction of Article 14, then the restrictions will go far beyond the restrictions allowed in Article 14(2) since it will apply regardless of the content that is provided.

The authors of this submission would like to present our draft on how a disclosure act could look like.

Draft of DISCLOSURE OF AFFILIATIONS (ONLINE MEDIA) ACT
Please note that this is a draft proposal in order to examine the problems arising from such a countermeasure.

Short title
1. This Act may be cited as the Disclosure of Affiliations (Online Media) Act.

Interpretation
2.—(1) In this Act, unless the context otherwise requires —
“content provider” means any person, company, or group that disseminates content in written, graphic, audio or video format to the public via an online platform.

"political affiliation" means any form of association or any consistent support for a political party, politician or any other political cause.
"sponsor" means any person or organisation that provides money or any other benefit to a content provider in exchange for the content provider advertising their product or providing content that
"website" means all web pages located under a single domain name, owned by the content provider or otherwise

Application of this Act to content providers
3.—(1) This Act shall apply to all content providers as determined in subsections (2) and (3) and section 4 unless exempted from the provisions of this Act.
(2) Every newspaper licensee, telecommunications licensee and broadcasting licensee is a content provider.
(3) Every person identified by the Minister under section 4 is a content provider.

Minister to determine and notify individual persons and groups to which this Act applies
4.—(1) The Minister shall classify an individual person as a content provider if he is satisfied that the person has significant potential for influencing the public.
(2) In determining whether a person has significant potential for influencing the public, the Minister shall take into account—.

(a) whether the person is a member or a consistent supporter of any political party.
(b) whether the person is a public figure.
(c) the frequency of the content disseminated by the person.
(d) the substance of the content disseminated by the person.
(e) whether the person has received any remuneration in exchange for the content provided.
(f) whether the person holds admin status of a social media group or page that exists for the purposes of disseminating content to the public.
(g) any other fact that the Minister deems to be relevant, provided that he is able to objectively justify taking that fact into account with evidence.

(3) For the purposes of subsection (2), a person shall not be deemed to be a content provider by
reason only that he fulfils only one of the considerations.
(4) The Minister shall notify the person in writing of his decision to classify the person as a content provider.

(a) The Minister shall state clearly in the written notice his justifications in classifying the person as a content provider.
(b) In the event that the Minister deems any fact relevant in accordance with subsection (2)(g), the Minister shall disclose the evidence to the person in his notice.
(c) The person shall comply with section 4 within 60 days from the date of notice.

All content providers to disclose sponsors and political affiliations
5.—(1) Every content provider shall disclose his sponsors and political affiliations in a clear and conspicuous manner.

(2) For the purposes of this section, a content provider will be taken to have disclosed his sponsors and political affiliations in a clear and conspicuous manner if—.

(a) in the case of a website owned by the content provider, the content provider provides a page for the sole purpose of providing a statement of all the sponsors and affiliations on the website, with the link to that page being located in the front page and can be found with minimal effort.

(b) in the case of written or graphic content disseminated on a platform other than the content provider's website, the content provider states his sponsors and affiliations using letters that are at least as large as the majority of the text in the content.

(c) in the case of audio content, the content provider provides a statement that is spoken in a clearly audible and intelligible manner at the beginning of the content.

(d) in the case of video content, the content provider includes the statement at the

(e) beginning of the video that is both:

(i) in a written format that satisfies paragraph (b), and

(ii) in an audio format that satisfies paragraph (c).

(3) A content provider will be taken to have declared that he has no sponsors or political affiliations if he does not make any disclosure.

Penalties for false declaration of affiliations

6.—(1) A content provider will be deemed to have made a false declaration if:

(a) he fails to make any disclosure under section 4 when he has sponsors or political affiliations, or

(b) he omits any sponsor or affiliation in his statement of disclosure.

(2) Any content provider that makes a false declaration shall be guilty of an offence and—.

(a) in the case of an individual content provider, be punished with a fine not exceeding $1,000

(b) in the case of a licensed company, be punished with a fine not exceeding $5,000 and have its license suspended for a period not exceeding 3 months.

ECONOMIC INCENTIVE FOR COMMUNICATION CHANNELS

This incentive is two-prong. First, in order to ensure that the incentive works, the income of the communication channels must be subjected to tax. A bulk of such income would be from the revenue derived from advertisement. Second, the incentive system operates to allow the communication channels to enjoy enhanced deductions on research and development spent on programmes or software that identifies and remove false news that is disseminated on the channel.

A short digression is apposite at this point to highlight that advertisement revenue forms the bulk of the revenue of a communication channel. For instance, Facebook's 2017 4Q financial results revealed that 98.5% of its revenue was attributed to "advertising"[2].

[2] https://s21.q4cdn.com/399680738/files/doc_financials/2017/Q4/Q4-2017-Press-Release.pdf

It is submitted that communication channels will be incentivised to claim allowable deductions if their main source of revenue is taxed.

> **10.**—(1) Income tax shall, subject to the provisions of this Act, be payable at the rate or rates specified hereinafter for each year of assessment upon the **income of any person accruing in or derived from Singapore** or received in Singapore from outside Singapore in respect of —
>
> a) gains or profits from any trade, business, profession or vocation, for whatever period of time such trade, business, profession or vocation may have been carried on or exercised;

Section 10(1) of the ITA provides that "income of any person accruing in or derived from Singapore" shall be subject to tax.

Advertisement revenue derived in Singapore is defined to be revenue that accrues upon the viewing of an advertisement by an individual in Singapore.

It may be difficult to argue that that such advertisement revenue generated by any communication channel in Singapore is "derived from Singapore" in view of tax treaties Singapore may have with other countries. Therefore, the advertisement revenue is not clearly exigible to taxes in Singapore. For the economic incentive to work, such revenue must be subject to taxes in Singapore.

Therefore, the following subsection[3] can be included to make clear that advertisement revenue derived in Singapore is subject to tax.

> 25A - For the avoidance of doubt, advertisement revenue derived in Singapore is income derived in Singapore for the purposes of subsection (1).

To ensure the payment of income tax, it is further proposed that withholding tax be imposed on payments made to non-resident communication channels for advertisement service rendered in Singapore.

The proposed provision is:[4]

> **14.**—(1) For the purpose of ascertaining the income of any person for any period from any source chargeable with tax under this Act (referred to in this Part as the income), there shall be **deducted all outgoings and expenses wholly and exclusively** incurred during that period by that person **in the production of the income**, including —

Herein lies a problem that may result in the deduction of expenses that may equal or exceed the amount of advertisement revenue, leading to there being little chargeable income. Put shortly, a technological company may be able to claim high amounts of deductions which may be said to be incurred wholly and exclusively in the production

[3] Addition to section 10 ITA.
[4] Adapted from section 45F ITA.

of the advertisement income. It has been reported that large multi-national technological companies pay comparatively low taxes because it is able to claim high deductions in the form of royalty payments for the licence of use of intellectual property.[5]

This problem may be mitigated in at least two ways. First, there may be a provision that specifically exempts the claiming of deduction on royalties paid for the use of intellectual property that is directly linked to the production of advertisement income. Second, the existing section 33 will give the Comptroller the discretion to ignore certain transactions.

The provision proposed is:[6]

15.—(1) Notwithstanding the provisions of this Act, for the purpose of ascertaining the income of any person, no deduction shall be allowed in respect of —

(r) any outgoings and expenses, whether directly or in the form of reimbursements, incurred by any company in respect of royalty payment granted to any person in connection with the use of intellectual property in connection with income referred to in section 10(25A).

The existing section 33 provides that:

33. – (1) Where the Comptroller is satisfied that the purpose or effect of any arrangement is directly or indirectly —

(a) to alter the incidence of any tax which is payable by or which would otherwise have been payable by any person;
(b) to relieve any person from any liability to pay tax or to make a return under this Act; or
(c) to reduce or avoid any liability imposed or which would otherwise have been imposed on any person by this Act,

the Comptroller may, without prejudice to such validity as it may have in any other respect or for any other purpose, disregard or vary the arrangement and make such adjustments as he considers appropriate, including the computation or recomputation of gains or profits, or the imposition of liability to tax, so as to counteract any tax advantage obtained or obtainable by that person from or under that arrangement.

(2) In this section, “arrangement” means any scheme, trust, grant, covenant, agreement, disposition, transaction and includes all steps by which it is carried into effect.

(3) This section shall not apply to —

(a) any arrangement made or entered into before 29th January 1988; or

[5] http://www.independent.co.uk/news/business/news/how-does-facebook-avoid-paying-tax-and-what-will-the-changesmean-a6912731.html
[6] Addition to section 15 ITA.

(b) any arrangement carried out for bona fide commercial reasons and had not as one of its main purposes the avoidance or reduction of tax.

Having established that the advertisement revenue derived in Singapore is taxable, the second prong of the countermeasure is to provide the incentive for communication channels to research and develop programmes to detect and remove false news. An enhanced deduction is proposed whereby the entity is able to claim 200% of the relevant expenses incurred.

The proposed provision is:[7]

14E.—(1) Subject to this section, where the Comptroller is satisfied that —

(*a*) a person carrying on any trade or business has incurred expenditure in undertaking directly by himself, or in paying a research and development organisation to undertake on his behalf, an approved research and development project in Singapore which is related to that trade or business;

(*aa*) a person carrying on any trade or business has incurred during the basis period for any year of assessment between the year of assessment 2009 and the year of assessment 2020 (both years inclusive) expenditure in undertaking directly by himself, or in paying a research and development organisation to undertake on his behalf, an approved research and development project in Singapore which is not related to that trade or business; or

(*ab*) a person carrying on any trade or business involving the derivation of advertisement revenue has incurred expenditure directly by himself, or in paying a research and development organization to undertake on his behalf, an approved research and development project in Singapore concerning software that stops the dissemination of false information,

there shall be allowed to that person or research and development organisation a further deduction of the amount of such expenditure in addition to the deduction allowed under section 14, 14D or 14DA, as the case may be.

(2) The Minister or such person as he may appoint may —

(a) specify the maximum amount of the expenditure (or any item thereof) incurred to be allowed under subsection (1);

(b) impose such conditions as he thinks fit when approving the research and development project; and

(c) specify the period or periods for which deduction is to be allowed under this section.

(3) No deduction shall be allowed under this section in respect of any expenditure which is not allowed under section 14 or 14D.

[7] Addition made to section 14E ITA.

(3A) The total amount of deduction allowed under this section and sections 14, 14D and 14DA in respect of any expenditure incurred by a person for an approved research and development project in Singapore shall not exceed 200% of such expenditure incurred.

We would like to express our appreciation to our Constitutional Law Professor, Associate Professor of Law, Eugene Tan for his guidance.