Land Intensification Allowance

LIA

1. What is LIA?

Land Intensification Allowance "LIA" encourages companies to intensify industrial land use towards more land-efficient and higher value-added activities. It is subject to the provisions of the Singapore Income Tax Act, Chapter 134, including the Income Tax (Land Intensification Allowance) Regulations 2012.

This factsheet provides the key details of LIA for cases where the (a) application for Planning Permission or Conservation Permission for the building or structure (referred to as "Planning Permission[1]" in this factsheet); and (b) application for LIA are submitted on/after 1 January 2026.

2. Who can apply for LIA?

Your entity can apply for the incentive if its business is in the manufacturing or logistics sector[2].

3. How does LIA work?

Approved LIA recipients may claim an initial allowance of 25% of qualifying capital expenditure incurred for the approved construction or renovation / extension of the approved LIA building or structure in the Year of Assessment ("YA") relating to the basis period during which the capital expenditure is incurred.

Upon completion of LIA building or structure and where all qualifying criteria are met, approved LIA recipients may claim annual allowances of 5% of the qualifying capital expenditure until the total allowance claimed amounts to 100% of the qualifying capital expenditure.

Refer to **Annex A** for an example of how the initial and annual allowances are computed.

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[1] For the avoidance of doubt, the Planning Permission application date refers to the date of first submission to Urban Redevelopment Authority (URA) or the relevant agency and does not include any subsequent application for amendment. Refer to the factsheet in the link for applications submitted before 1 January 2026: https://www.edb.gov.sg/content/dam/edb-en/how-we-help/incentive-and-schemes/factsheets/LIA%20Factsheet.pdf

[2] Since 8 March 2017, LIA is also available to several trades or businesses carried out in an integrated construction and prefabrication hub. This will be administered by the Building and Construction Authority (BCA). For more information, contact BCA at 1800 342 5222.

4. What are the assessment criteria for LIA Award?

Your application will be assessed based on the following qualifying criteria:

Qualifying Criteria	Planning Permission Application and Application for LIA on/after 1 January 2026	Details
a. Zoning	• B1/B2 land • Airport/Port land	The building or structure (referred to as "LIA building" in this factsheet) must be built on land that is zoned as Business 1, Business 2 (excluding Business 1 White or Business 2 White) or Airport/Port under the URA Master Plan as at the Planning Permission application date.
b. Trade or business	• Specified manufacturing activities • Specified logistics activities	The specified manufacturing or logistics activities conducted within the LIA building must fall within the qualifying SSIC codes listed in **Annex B**.
c. Minimum GPR	• Prescribed GPR benchmark for LIA buildings that have yet to meet the prescribed GPR benchmark • Incremental 10% GPR improvement for LIA buildings that have already met the prescribed GPR benchmark • Highest GPR benchmark among those prescribed for each qualifying trade or business	The prescribed GPR benchmark for each qualifying trade or business is as listed in **Annex B**. For LIA buildings that have multiple qualifying trades or businesses, the applicable GPR benchmark for the building will be the highest GPR benchmark among those prescribed for each qualifying trade or business.
d. Qualifying use(s) of the LIA building's Gross Floor Area (GFA)[3]	• At least 80% of LIA building's GFA used for qualifying use(s)	At least 80% of the LIA building's GFA must be used by a single user or multiple related users conducting qualifying trades or businesses. Qualifying uses refer to manufacturing and logistics activities[4]. Qualifying users may be in multiple qualifying trades or businesses.

[3] LIA applicants should refer to URA's GFA handbook on the guidelines and interpretation of GFA.
[4] LIA applicants should refer to URA's list of allowable predominant uses on B1 and B2 land for examples.

e. Qualifying user(s) of the LIA building's GFA	• At least 80% of LIA building's GFA used by qualifying user(s) • Qualifying user(s) and owner[5] of the LIA building related by more than 50% shareholding	At least 80% of the LIA building's GFA must be used by a single user or multiple related users conducting qualifying trades or businesses. Qualifying users may be a single user or multiple users related by more than 50% shareholding. The users must have more than 50% of their shareholdings held in common (or have entitlement to more than 50% of the income in the case of a partnership), whether directly or indirectly.
f. Application window for the LIA	• No later than 3 months after first application for Planning Permission	Registration of interest to apply for the LIA must be submitted to EDB no later than 3 months after the first application to URA for Planning Permission, or to JTC for Consent as Landowner (URA Plan Lodgement Scheme). Following this, your entity must complete the LIA application via the EDB Portal no later than 3 months after the date of TOP (Temporary Occupation Permit). Refer to **Annex C** for the application process and documents required. **Late applications will not be accepted**.

5. What are the qualifying expenditure of LIA Award?

The following items are qualifying capital expenditure:

a) cost of feasibility study on the layout of the building or structure;
b) design fees of the building or structure;
c) cost of preparing plans for obtaining approval for the building or structure;
d) piling, construction and renovation/extension costs;
e) demolition costs of an existing building or structure;
f) legal and other professional fees in relation to the approved construction or approved renovation/extension; and
g) stamp duties payable in respect of title of the building or structure.

Qualifying capital expenditure incurred on the construction or renovation / extension of the approved LIA building to meet or exceed the applicable GPR benchmark, up to the date of completion of the approved LIA building can qualify for the LIA.

[5] Legal owner which owns and incurs qualifying expenditure on the construction or renovation / extension of the approved LIA building.

The date of completion refers to the TOP date of the approved LIA building. For constructions where no TOP is or will be issued, the date of completion refers to the date of Certificate of Statutory Completion (“CSC”).

Where the LIA Award pertains to the renovation / extension of an existing LIA building, only the additional capital expenditure incurred on renovation / extension works qualify for the LIA and the purchase price of the existing LIA building does not qualify.

6. What happens if my entity does not meet the terms and conditions in the Letter of Award (LOA)?

In the event of any breach of the terms and conditions in the Letter of Award (LOA), your entity will be subject to the termination/revocation of the incentive and recovery of any associated benefits. IRAS may recover the initial and/or annual allowances through re-assessment of preceding tax years if the terms and conditions are not met.

For any basis period after the qualifying period of the LIA where there are any changes to qualifying user(s) and/or use(s) such that your entity no longer complies with all conditions, your entity must not make any annual allowance claims in that basis period.

7. What are some of the things that I need to take note of?

- Your entity will be required to submit to EDB an annual progress update (APU) in the prescribed format and/or an external auditor’s report setting out its progress in meeting the terms and conditions of the incentive.

- Requests to terminate the incentive subsequent to its acceptance are subject to approval. The incentive will continue to have effect until EDB notifies your entity of the approval outcome.

- Your entity is not eligible for the incentive if it falls within any of the following categories:

    - Entities which fall within sanctions lists maintained by the Singapore Government, or entities controlled or owned by individuals / entities / countries which fall within such lists;
    - Entities engaged in activities which are illegal under the laws of Singapore;
    - Entities engaged in the manufacture, distribution, sale, import or export of goods or technology that is regulated under Part 1 of the Schedule of the Strategic Goods (Control) Order of the Strategic Goods (Control) Act (commonly referred to as military goods and technology) or the Arms and Explosive Act;
    - Entities engaged in the manufacture, distribution, sale, import or export of tobacco products, as defined under the Tobacco (Control of Advertisements and Sale) Act, and related activities;
    - Entities under investigation or prosecution for, or having a history of, regulatory issues, such as corruption, fraud, anti-competitive issues or other regulatory breaches;
    - Entities which are licensed financial institutions (including banks, fund managers and capital market players) or licensed insurance players which are regulated by Monetary Authority of Singapore (MAS), unless specifically referred by MAS to apply for the incentive;
    - Entities which are ship owners or operators, or in the business of providing maritime leasing, ship financing, ship broking, ship management, ship agency, marine insurance or other shipping-related support services (excluding ports and shipyards) which are regulated by Maritime and Port Authority of Singapore (MPA), unless specifically referred by MPA to apply for the incentive.

  EDB may engage external service provider(s) and rely solely on the information returned from these external service provider(s) in the process of determining an applicant's eligibility.

  EDB reserves the right to revoke or terminate the incentive if the entity falls within any of the categories listed above during the tenure of the incentive.

- Singapore has implemented a Domestic Top-up Tax on profits of group entities operating in Singapore if their effective tax rate is less than 15%. This will apply to multinational enterprises groups with annual group revenue of €750 million or more in at least two of the four preceding financial years. For avoidance of doubt, companies receiving incentives from the EDB are not precluded and applicants should assess the implications accordingly.

8. How do I apply?

A building owner who intends to construct or renovate / extend a building or structure that meets the above qualifying criteria may apply to EDB for the LIA incentive.

Applicants must register an interest to apply for LIA by submitting a FormSG to EDB no later than 3 months after the first application date to URA (or relevant agency) for Planning Permission. Following this, applicants must complete their application via the EDB Portal no later than 3 months after the date of TOP (Temporary Occupation Permit). **Late applications will not be accepted**.

Refer to **Annex C** for the application process and documents required.

9. How do I claim?

Approved LIA recipients may claim the LIA allowances in their annual income tax returns to IRAS. While there is no requirement to submit any supporting document at the point of tax return filing, LIA recipients should maintain the following documents for submission to IRAS if requested:

a) a copy of the Letter of Award (LOA) from EDB;
b) details of qualifying capital expenditure incurred on the construction or renovation / extension of the approved LIA building;
c) computation of the amounts of initial or annual allowances claimed; and
d) a copy of the documents submitted to EDB previously.

10. What if I have enquiries?

Any questions or requests for clarification can be submitted to the LIA administrator at Alger_Ang@edb.gov.sg.

For enquiries relating to filing of LIA allowance claims, refer to the LIA claim procedure on IRAS' website.

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ANNEX A – EXAMPLE OF INITIAL AND ANNUAL ALLOWANCE COMPUTATION

Company A (with accounting year-end 31 December), which is engaged in the manufacture of pharmaceutical products, is approved by EDB for the LIA incentive. It incurs the following qualifying capital expenditure on the construction of the approved LIA building:

Year ended:	Capital expenditure incurred
31 Dec 2027	$1,000,000
31 Dec 2028	$3,000,000
31 Dec 2029	$2,000,000

Upon completion of the construction works in June 2029, the GPR of the completed building meets the relevant GPR benchmark, but is not yet used for the purposes of the specified trade(s) or business(es).

The computation of LIA for the years of assessment (YA) 2028 to 2044 is as follows:

Qualifying capital expenditure -	Year ended 31 Dec 2027	1,000,000
	Year ended 31 Dec 2028	3,000,000
	Year ended 31 Dec 2029	2,000,000
		6,000,000
YA 2028 – initial allowance	[25% x 1,000,000]	250,000
YA 2029 – initial allowance	[25% x 3,000,000]	750,000
YA 2030 – initial allowance	[25% x 2,000,000]	500,000
YA 2030 to 2044 – annual allowance	[5% x 6,000,000 x 15 years]	4,500,000
Total allowances claimed		6,000,000

ANNEX B – QUALIFYING ACTIVITIES AND GPR BENCHMARKS

GPR Benchmarks will be published upon the enactment of the LIA subsidiary legislation.

Cluster	SSIC code (2025)	Industry Description (2025)
Food, Beverages & Tobacco	1010	Processing and Preserving of Meat
	1020	Processing and Preserving of Fish, Crustaceans and Molluscs
	1030	Processing and Preserving of Fruits and Vegetables
	1040	Manufacture of Vegetable and Animal Oils and Fats
	1050	Manufacture of Dairy Products
	1061	Manufacture of Grain Mill Products
	1062	Manufacture of Starches and Starch Products
	1071	Manufacture of Bakery Products
	1072	Manufacture of Sugar
	1073	Manufacture of Cocoa, Chocolate and Non-chocolate Confectionery
	1074	Manufacture of Macaroni, Noodles, Vermicelli and Other Related Products
	1075	Manufacture of Prepared Meals and Dishes
	1076	Manufacture of Coffee, Tea and Related Products
	1079	Manufacture of Other Food Products n.e.c.
	1080	Manufacture of Prepared Animal Feeds
	1101	Distilling, Rectifying and Blending of Spirits
	1102	Manufacture of Wine
	1103	Manufacture of Malt Liquors and Malt
	1104	Manufacture of Soft Drinks, Production of Mineral Waters and Other Bottled Waters
	1200	Manufacture of Tobacco Products
Printing and Recorded Media	1811	Printing
	1812	Service Activities Related to Printing
	1820	Manufacture of Recorded Media
Manufacture of Coke and Refined Petroleum Products	1910	Manufacture of Coke Oven Products
	1920	Manufacture of Refined Petroleum Products
Manufacture of Petrochemicals and Petrochemicals Products	2013	Manufacture of Petrochemicals; Plastic and Synthetic Rubber in Primary Forms
Manufacture of other chemicals	2011	Manufacture of Basic Chemicals
	2012	Manufacture of Fertilisers and Nitrogen Compounds
	2021	Manufacture of Pesticides and Other Agro-Chemical Products
	2022	Manufacture of Paints, Varnishes and Similar Coatings, Printing Ink and Mastics
	2023	Manufacture of Soap and Detergents, Cleaning and Polishing Preparations, Perfumes and Toilet Preparations

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	2024	Manufacture of Additives
	2029	Manufacture of Other Chemical Products n.e.c.
	2030	Manufacture of Man-Made Fibres
Manufacture of Pharmaceuticals and Biological Products	2101	Manufacture of Pharmaceutical Products
	2102	Manufacture of Biological Products
Manufacturing of Computers and Peripheral Equipment, and Consumer Electronics	2620	Manufacture of Computers and Peripheral Equipment
	2640	Manufacture of Consumer Electronics
Manufacture of Semiconductor Devices, Electronics modules & components and Communications Equipment	2611	Manufacture of Semiconductor Devices
	2612	Manufacture of Other Electronic Components and Boards
	2630	Manufacture of Communications Equipment
	2651	Manufacture and Repair of Measuring, Testing, Navigating and Control Equipment
	2652	Manufacture of Watches and Clocks
	2660	Manufacture and Repair of Irradiation, Electromedical and Electrotherapeutic Equipment
	2670	Manufacture of Optical Instruments and Photographic Equipment
	2680	Manufacture of Magnetic and Optical Media
	2710	Manufacture and Repair of Electric Motors, Generators, Transformers, Electricity Distribution and Control Apparatus
	2720	Manufacture of Batteries and Accumulators
	2732	Manufacture of Electronic and Electric Wires and Cables-
	2733	Manufacture and Repair of Wiring Devices
	2740	Manufacture and Repair of Electric Lighting Equipment
	2750	Manufacture of Domestic Appliances
	2790	Manufacture of Other Electrical Equipment
Land Transport	2910	Manufacture of Motor Vehicles
	2920	Manufacture of Motor Vehicle Bodies (Coachwork), Trailers and
	2930	Manufacture of Parts and Accessories for Motor Vehicles
	3020	Manufacture of Railway Locomotives and Rolling Stock
	3040	Manufacture of Military Fighting Vehicles
	3091	Manufacture of Motorcycles
	3092	Manufacture of Bicycles and Invalid Carriages
	3099	Manufacture of Other Transport Equipment n.e.c.
Aerospace	3030	Manufacture of Air and Spacecraft and Related Machinery
Marine & Offshore Engineering	3011	Building and Repairing of Ships and Floating Structures
	3012	Building of Pleasure Boats and Sporting Boats
Medical Technology	3250	Manufacture of Medical and Dental Instruments and Supplies
Machinery & Systems	2811	Manufacture and Repair of Engines and Turbines except Aircraft, Vehicle
	2812	Manufacture and Repair of Pumps, Compressors, Taps and Valves
	2814	Manufacture of Bearings, Gears, Gearing and Driving Elements

	2815	Manufacture and Repair of Ovens, Furnaces and Furnace Burners
	2816	Manufacture and Repair of Lifting and Handling Equipment
	2817	Manufacture and Repair of Office Machinery and Equipment (except
	2818	Manufacture & Repair of Robots
	2819	Manufacture and Repair of Other General Purpose Machinery
	2821	Manufacture and Repair of Agricultural and Forestry Machinery
	2822	Manufacture and Repair of Metal-Forming Machinery and Machine Tools
	2824	Manufacture and Repair of Machinery for Mining, Quarrying and
	2825	Manufacture and Repair of Machinery for Food, Beverage and Leather Production
	2826	Manufacture and Repair of Machinery for Textile, Apparel and Leather Production
	2827	Manufacture and Repair of Semiconductor Related Equipment
	2829	Manufacture and Repair of Other Special Purpose Machinery
	2830	Installation of Industrial Machinery and Equipment
Other Manufacturing Industries	1310	Spinning, Weaving and Finishing of Textiles
	1391	Manufacture of Knitted and Crocheted Fabrics
	1392	Manufacture of Made-Up Textile Articles except Apparel
	1393	Manufacture of Carpets and Rugs
	1394	Manufacture of Cordage, Rope, Twine and Netting
	1399	Manufacture of Other Textiles necessary
	1410	Manufacture of Wearing Apparel except Fur Apparel
	1420	Manufacture of Articles of Fur
	1511	Tanning and Dressing of Leather; Dressing and Dyeing of Fur
	1512	Manufacture of Luggage, Handbags and the Like; Saddlery and Harness
	1520	Manufacture of Footwear
	1610	Sawmilling and Planing of Wood
	1621	Manufacture of Veneer Sheets and Wood-Based Panels
	1629	Manufacture of Other Products of Wood and Articles of Cork, Straw and
	1701	Manufacture of Pulp, Paper and Paperboard
	1702	Manufacture of Corrugated Paper and Paperboard and of Containers of
	1709	Manufacture of Other Articles of Paper and Paperboard
	2103	Manufacture of Traditional Chinese Medicine
	2211	Processing of Natural Rubber and Gums
	2212	Manufacture of Rubber Tyres and Tubes, Retreading and Rebuilding of
	2219	Manufacture of Other Rubber Products except Rubber Footwear and Toys
	2221	Manufacture of Plastic Products except Plastic Footwear and Toys

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	2222	Plastic Product Services
	2310	Manufacture of Glass and Glass Products
	2391	Manufacture of Clay Products
	2393	Manufacture of Porcelain and Ceramic Products
	2394	Manufacture of Cement, Lime and Plaster
	2395	Manufacture of Articles of Concrete, Cement and Plaster
	2396	Cutting, Shaping and Finishing of Stone
	2399	Manufacture of Other Non-Metallic Mineral Products n.e.c.
	2410	Manufacture of Basic Iron and Steel
	2420	Manufacture of Basic Precious and Non-Ferrous Metals
	2431	Casting of Iron and Steel
	2432	Casting of Non-Ferrous Metals
	2511	Manufacture of Structural Metal Products
	2512	Manufacture and Repair of Tanks, Reservoirs and Containers of Metal
	2513	Manufacture and Repair of Steam Generators except Central Heating
	2520	Manufacture and Repair of Weapons and Ammunition
	2591	Forging, Pressing, Stamping and Roll-Forming of Metal; Powder Metallurgy
	2592	Treatment and Coating of Metals
	2593	Manufacture of Cutlery, Hand Tools and General Hardware
	2594	Manufacture of Metal Wire and Cable Products
	2595	Manufacture of Metal Cans, Containers and Related Products
	2599	Manufacture of Other Fabricated Metal Products n.e.c.
	3100	Manufacture of Furniture
	3211	Manufacture of Jewellery and Related Articles
	3212	Manufacture of Imitation Jewellery and Related Articles
	3220	Manufacture of Musical Instruments
	3230	Manufacture of Sports Goods
	3240	Manufacture of Games and Toys
	3290	Other Manufacturing n.e.c.
Logistics Activities	4923	Freight Land Transport
	5210	Warehousing and Storage
	5222	Supporting Services to Water Transport
	5223	Supporting services to Air Transport
	5224	Cargo Handling
	5229	Other Transportation Support Activities
	5320	Courier Activities other than national post activities

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ANNEX C – LIA APPLICATION PROCESS

LIA Application Window

Your entity is required to register your interest to apply for LIA by submitting a FormSG to EDB no later than 3 months after the first application date[1] to URA for Planning Permission, or to JTC for Consent as Landowner (URA Plan Lodgement Scheme). Following this, your entity must complete their application via the EDB Portal (including submission of all relevant documents) no later than 3 months after the date of TOP (Temporary Occupation Permit).

[1] The Planning Permission application date can be found on the top right box "Decision No." of the URA Written Permission (WP) (e.g. P251115-12A3-B000, which will mean 25 Nov 2015). Any subsequent amendment application date after the first submission will not be considered as a planning permission application date. If an applicant applied under the URA Plan Lodgement Scheme as an alternative to URA's PP/WP, please refer to the "JTC's Consent as Landowner (URA Plan Lodgement Scheme)" document for your application date instead. The application date can be found under "Your Ref:" (top of the letter) (e.g. ES20161125, which will mean 25 Nov 2016). This application date under "Your Ref:" is applicable even for cases where there are multiple resubmissions to JTC for the same project under the URA Plan Lodgement Scheme.

Submission requirements

A. Registration of interest

When registering your interest via FormSG, please prepare the following information to be submitted:

1) Identity of building owner
2) Property zoning (B1/B2/Airport or port land)
3) Information on construction of new building or extension/renovation of existing structure
4) Identity of user(s) of the LIA building and the registered SSIC codes
5) Information on percentage of gross floor area used for qualifying activities (including floor plan drawings with existing and proposed GFA and GFA quantum breakdown) (if available)
6) Application to URA for Planning Permission / Conservation Permission or to JTC for Consent as Landowner (URA Plan Lodgement Scheme) (if available)
7) "URA Grant of Written Permission" / "JTC Consent as Landowner (URA Plan Lodgement Scheme)" (if available)
8) Estimated Date of Temporary Occupation Permit (if available)

B. Verification and invitation to complete application

After the submission of FormSG, the LIA administrator will contact you for the submission of the following documents:

9) LIA Application form (i.e. EDB Core Form and LIA SubForm)
10) ACRA Documents indicating registered SSIC codes of building owner and user(s) and the shareholding relationships between the owner and the user(s)
11) Application to URA for Planning Permission / Conservation Permission or to JTC for Consent as Landowner (URA Plan Lodgement Scheme) (if not provided in FormSG)
12) "URA Grant of Written Permission" / "JTC Consent as Landowner (URA Plan Lodgement Scheme)"
13) Temporary Occupation Permit information (if available)

C. Letter of Award

Upon completion of submission and approval by EDB, a Letter of Award (LOA) will be issued to the applicant. Terms and conditions of the award will be set out within the letter. The acceptance of the LOA should be submitted to EDB no later than 30 days from the LOA issuance. The LOA must be retained and submitted to IRAS upon request.

D. Post-TOP verification

Post award of the LIA, your entity will be required to submit the following documents within 3 months of the TOP / CSC date of the LIA building:

14) Temporary Occupation Permit (TOP) document[2] or Certificate of Statutory Completion (CSC)
15) Qualified Persons (QP) verification form

[2] In cases where approved building or structure has multiple TOPs, the applicant must submit interim verification forms at each TOP. Specifically, applicant should submit Verification Form Annex 1 (which will be attached to the letter of award) within 3 months of each interim TOP, and Verification Form Annex 2 within 3 months of final TOP. Annual allowances relating to the total qualifying capital expenditure will be granted upon verification at final TOP. If an applicant with multiple TOPs wishes to claim the annual allowances pertaining to the specific building that has received an interim TOP, the applicant is required to declare in Verification Form Annex 1 that the qualifying user(s) take up at least 80% of the total floor area of that specific building.

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