

# Central Provident Fund (Amendment) Bill

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**Bill No. 31/2024.**

*Read the first time on 9 September 2024.*

A BILL

*intituled*

An Act to amend the Central Provident Fund Act 1953.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

## Short title and commencement

1. This Act is the Central Provident Fund (Amendment) Act 2024 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

### PART 1

#### AMENDMENTS RELATING TO CLOSURE OF SPECIAL ACCOUNT, ETC.

#### Amendment of section 13

2. In the Central Provident Fund Act 1953 (called in this Act the principal Act), in section 13 —

(a) in subsection (1), replace “subsections (7A), (7B), (7C), (7D) and (7G)” with “this Act”;

(b) in subsection (1)(c), after “special account”, insert “or a retirement account, or both”;

(c) after subsection (5), insert —

“(5AA) Despite subsection (5), where a member’s special account is closed under section 13AA(1), the Board may credit any interest mentioned in section 6(4) that had accrued to the amount standing to the credit of the member in the member’s special account in the following manner:

(a) if there is a shortfall in the retirement sum applicable to the member, or in the amount specified by the Minister for the member pursuant to section 15AA(5)(a) — credit the interest to the member’s retirement account, even if the interest so credited exceeds that shortfall;

(b) in any other case or if (despite paragraph (a)) the prescribed circumstances apply — credit the interest to the member’s ordinary account.”;

(d) after subsection (7C), insert —

“(7CA) Where Account A mentioned in subsection (7C) is a special account that has since been closed under section 13AA(1), subsection (7C) applies with the following modifications:

(a) any amount to be restored to Account A under subsection (7C)(a) may be paid to the member’s accounts in the Fund in accordance with section 13AA(4);

(b) any interest (in respect of the restored amount) to be paid into Account A under subsection (7C)(b) may be paid to the member’s accounts in the Fund in accordance with section 13AA(5) or (6), whichever is applicable.”;

(e) after subsection (7G), insert —

“(7GA) Subsections (7E), (7F) and (7G) apply in respect of the restoration of any amount or payment of any interest under subsection (7C) read with subsection (7CA), and a reference in subsections (7E), (7F) and (7G) to subsection (7C)(a) or (b) or subsection (7C) includes a reference to any of those provisions as modified by subsection (7CA).”;

(f) after subsection (7H), insert —

“(7HA) Where either Account A or Account B (mentioned in subsection (7H)) or both are special accounts that have since been closed under section 13AA(1), subsection (7H) applies with the following modifications:

(a) if only Account A is closed —

(i) any amount to be restored to Account A under subsection (7H)(a) may be paid to

the member's accounts in the Fund in accordance with section 13AA(4); and

- 5 (ii) any interest (in respect of the restored amount) to be paid to Account A under subsection (7H)(b) may be paid to the member's accounts in the Fund in accordance with section 13AA(5) or (6), whichever is applicable;
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(b) if only Account B is closed —

- 15 (i) any amount to be restored to Account A under subsection (7H)(a) may be deducted from the accounts in the Fund of the member for whom Account B was maintained, in accordance with section 13AA(7) or (8), whichever is applicable; and

- 20 (ii) any interest to be transferred to the general moneys of the Fund under subsection (7H)(c) may be transferred from the accounts in the Fund of the member for whom Account B was maintained, in accordance with section 13AA(7) or (8), whichever is applicable;
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(c) if both Account A of a member (called Member A) and Account B of another member (called Member B) are closed —

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- 35 (i) any amount to be restored to Account A under subsection (7H)(a) may be paid to Member A's accounts in the Fund in accordance with section 13AA(4), by a deduction from Member B's accounts in the

Fund in accordance with section 13AA(7) or (8), whichever is applicable;

(ii) subsection (7H)(b) applies, in relation to Member A, as modified by paragraph (a)(ii); and 5

(iii) subsection (7H)(c) applies, in relation to Member B, as modified by paragraph (b)(ii).

(7HB) Where the money transferred to Account B mentioned in subsection (7H) has been transferred to another account in the Fund of the member (called in this subsection Account C) pursuant to subsection (7C), section 15(6CA), 15AA(5) or 18(4), subsection (7H) applies with the following modifications: 10 15

(a) any amount to be restored to Account A under subsection (7H)(a) may be deducted from Account C;

(b) any interest to be transferred to the general moneys of the Fund under subsection (7H)(c) may be transferred from Account C, and is the whole or any part, as the Board may determine, of — 20

(i) any interest paid on the restored amount while the restored amount was in Account B and Account C; and 25

(ii) if applicable, any interest paid in respect of the restored amount in connection with an initial transfer specified in subsection (7D).” 30

(g) replace subsection (7I) with —

“(7I) Where the Board has credited any money to a member’s account in the Fund (called in this subsection Account A) under section 13(4), 13B(2) or 13C, or where any money has been paid into Account A under section 18(1)(b) or (c), (2)(b) or (3)(b) or any regulations made under section 77(1), the Board may, on the Board’s own motion or on an application to the Board, and subject to any terms and conditions that the Board may impose —

(a) refund to the person who paid the money, or pay to any person whom the Board is satisfied is entitled to that payment, the whole or any part of the money (called in this subsection the relevant amount) by a deduction from any of the following accounts in the Fund of the member:

(i) Account A;

(ii) if Account A is a special account that has since been closed under section 13AA(1) — the member’s accounts in the Fund in accordance with section 13AA(7) or (8), whichever is applicable;

(iii) if the money credited or paid into Account A has been transferred from Account A to another account in the Fund of the member (called in this subsection Account B) pursuant to subsection (7C), section 15(6CA), 15AA(5) or 18(5) — Account B; and

(b) transfer interest to the general moneys of the Fund in the following manner:

(i) if paragraph (a)(i) applies — transfer from Account A, the whole or any part, as the Board may determine, of the interest paid on the relevant

amount while the relevant amount was in Account A;

- (ii) if paragraph (a)(ii) applies — transfer any interest in respect of the relevant amount from the member’s accounts in the Fund in accordance with section 13AA(7) or (8), whichever is applicable; 5
- (iii) if paragraph (a)(iii) applies — transfer from Account B, the whole or any part, as the Board may determine, of — 10
  - (A) the interest paid on the relevant amount while the relevant amount was in Account A and Account B; and 15
  - (B) if applicable, any interest paid in respect of the relevant amount in connection with an initial transfer specified in subsection (7D).”; and 20

(h) in subsection (8), delete “(if any)”.

### **New section 13AA**

3. In the principal Act, after section 13, insert —

#### **“Closure of special account”** 25

**13AA.**—(1) The Board may, on or after the date of commencement of section 3 of the Central Provident Fund (Amendment) Act 2024, close the special account of a member who has attained the age of 55 years (whether before, on or after that date), unless any prescribed circumstances apply. 30

(2) In connection with the closure of the member’s special account under subsection (1), the Board must transfer the moneys standing to the credit of the member in the special account to the ordinary account or retirement account of the

member (or both) in accordance with regulations made under section 77(1).

(3) Subsections (4) to (9) apply where the member's special account has been closed under subsection (1).

5 (4) Where any amount (*P*) would have been payable to the member's special account if not for its closure, the Board may pay *P* in the following manner:

10 (a) if there is a shortfall in the retirement sum applicable to the member or in the amount specified by the Minister for the member pursuant to section 15AA(5)(a) — pay *P* (in whole or in part) to the member's retirement account towards the maintenance of that retirement sum or specified amount (as the case may be), and the remaining  
15 part (if any) of *P* to the member's ordinary account;

(b) in any other case or if (despite paragraph (a)) the prescribed circumstances apply — pay *P* to the member's ordinary account.

20 (5) Subject to subsection (6), the Board may pay the whole or any part, as the Board may determine, of any interest payable on *P* paid under subsection (4) as if *P* were in the member's special account for the relevant period and the special account had not been closed, in the following manner:

25 (a) if the shortfall mentioned in subsection (4)(a) remains after the payment to the member's retirement account under subsection (4)(a) — to the member's retirement account, even if the interest so paid exceeds that shortfall;

30 (b) if there is no longer any shortfall mentioned in subsection (4)(a) after the payment to the member's retirement account under subsection (4)(a), or if *P* was paid under subsection (4)(b) — to the member's ordinary account.



(6) Where —

- (a)  $P$  is a refund arising from the request of the member to vary or cancel the member's application to withdraw moneys from the member's special account; or
- (b) the Board considers it reasonable to do so in the circumstances,

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the Board may, instead of making any payment of interest under subsection (5), pay interest in the following manner:

- (c) if  $P$  was paid (in whole or in part) to the member's retirement account under subsection (4)(a) — pay to the member's retirement account the whole or any part, as the Board may determine, of any interest payable on the amount of  $P$  so paid as if that amount were in the member's retirement account for the relevant period, even if the interest so paid exceeds the shortfall mentioned in subsection (4)(a);
- (d) if  $P$  was paid (in whole or in part) to the member's ordinary account under subsection (4)(a) or (b) — pay to the member's ordinary account the whole or any part, as the Board may determine, of any interest payable on the amount of  $P$  so paid as if that amount were in the member's ordinary account for the relevant period.

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(7) Subject to subsection (8), where any amount ( $D$ ) would have been deducted or transferred from the member's special account if not for its closure, the Board may —

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- (a) deduct or transfer both of the following from the member's available ordinary account balance:
  - (i)  $D$ , in whole or in part;
  - (ii) the whole or any part, as the Board may determine, of any interest payable on the amount of  $D$  so deducted or transferred, as if that amount were in the member's ordinary account for the relevant period; and

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(b) if  $D$  is not deducted or transferred under paragraph (a)(i) in whole — deduct or transfer both of the following from the amount standing to the credit of the member in the member's retirement account:

(i) the remaining part of  $D$ , in whole or in part;

(ii) the whole or any part, as the Board may determine, of any interest payable on the amount of the remaining part of  $D$  so deducted or transferred, as if that amount were in the member's retirement account for the relevant period.

(8) If the prescribed circumstances apply, the Board may instead of making any deduction or transfer under subsection (7) —

(a) deduct or transfer  $D$  (in whole or in part) from the amount standing to the credit of the member in the member's retirement account; and

(b) deduct or transfer the interest paid (if any) on the amount of  $D$  so deducted or transferred, in the following manner:

(i) deduct or transfer from the amount standing to the credit of the member in the member's retirement account — the whole or any part, as the Board may determine, of the interest paid on  $D$  —

(A) while  $D$  was in the member's special account before its closure; and

(B) while  $D$  was in the member's retirement account after the closure of the member's special account, and before such deduction or transfer of interest from the retirement account;

- (ii) deduct or transfer from the member's available ordinary account balance — the whole or any part, as the Board may determine, of the interest paid on *D* while *D* was in the ordinary account after the closure of the special account, and before such deduction or transfer of interest from the ordinary account. 5

(9) Unless otherwise provided by or under this Act, where a member's special account has since been closed under subsection (1) and the Board is required or permitted to determine the whole or any part of any interest that would have been payable on — 10

- (a) an amount standing to the credit of the member in the member's special account;
- (b) an amount that is treated as if it had not been deducted, transferred or withdrawn from the member's special account; 15
- (c) an amount (including an amount equivalent to the value of an instrument) that is treated as if it had been restored to the member's special account and not debited from that account; 20
- (d) an amount that is treated as if it had been transferred to the member's special account upon the occurrence of any event;
- (e) an amount that is treated as if it had been paid on its due date to the member's special account; or 25
- (f) an amount that is treated as if it were in the member's special account by way of any other transaction,

the Board may make that determination by reference to any interest that would have been payable on that amount as if that amount were standing to the credit of the member in the member's special account, and the special account had not been closed. 30

(10) In this section —

“available ordinary account balance”, in relation to a member, means the amount standing to the credit of the member in the member’s ordinary account, after excluding any reserved amount standing to the credit of that member in his or her ordinary account;

“relevant period” means —

(a) in a case of any amount mentioned in subsection (4) that was withdrawn or transferred from the member’s special account before its closure — the period starting on the date of the withdrawal or transfer (as the case may be) and ending on the date immediately before the date the amount is paid (in whole or in part) to the member’s retirement account or ordinary account under subsection (4);

(b) in a case of any amount mentioned in subsection (4) that does not fall under paragraph (a) but would otherwise have been payable to the member’s special account — the period starting on the date the amount was payable to the member’s special account and ending on the date immediately before the date the amount is paid (in whole or in part) to the member’s retirement account or ordinary account under subsection (4); or

(c) in a case of any amount mentioned in subsection (7) that would have been deducted or transferred from the member’s special account — the period starting on the date the amount was in the special account or transferred to the special account (as the case may be) and ending on the date immediately before the amount was deducted or transferred (in whole or in part) from the member’s ordinary account or retirement account under subsection (7).

(11) For the purposes of this section and section 77(1)(*kb*), a reference to a payment of any amount to a special account, an ordinary account or a retirement account includes a reference to the refund, restoration or crediting of the amount to, or the retention of the amount in, any of those accounts.”

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### **Amendment of section 13B**

4. In the principal Act, in section 13B(2), replace “or a special account” with “, a special account or a retirement account”.

### **Amendment of section 15**

5. In the principal Act, in section 15 —

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(a) after subsection (1A), insert —

“(1B) Where a member’s special account is closed under section 13AA(1), the Board may, with the approval of the Minister, give its authority for the withdrawal or transfer of any amount from the moneys standing to the credit of the member in the member’s ordinary account or retirement account, or both —

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(a) on the application of a person who would have been entitled or allowed to withdraw or transfer moneys from the member’s special account if the special account had not been closed; or

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(b) without any application by a person mentioned in paragraph (a), if —

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(i) the withdrawal relates to any prescribed class of payments; and

(ii) before the date of closure of the member’s special account, the Board had authorised the withdrawal of moneys from the member’s special account for such payments.

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(1C) Subsection (1B) applies despite section 13AA(7) and (8), and the requirements under sections 15(6)(a) and (7) and 15AA(5)(a) and (6) do not apply to the withdrawals or transfers authorised under subsection (1B).”;

(b) in subsection (6CA), replace “such amount at such time as may be prescribed in those regulations” with “any amount prescribed by those regulations at any time determined by the Board”;

(c) in subsection (6CB), replace “and times may be prescribed for different classes of members” with “may be prescribed, and different times may be determined by the Board, for different classes of members”; and

(d) replace subsection (7E) with —

“(7E) Except for the determined amount mentioned in subsection (7B)(b) or (7C)(b) and subject to regulations made under section 77(1), other limits imposed on the amount of moneys that may be transferred to or maintained in the member’s retirement account do not apply to —

(a) any transfer to a member’s retirement account under subsection (7A)(b); or

(b) any crediting of interest to a member’s retirement account under section 13(5AA), or payment of interest to a member’s retirement account under section 13AA(5) or (6).”.

### **Deletion of section 17**

6. In the principal Act, delete section 17.

### **Amendment of section 18**

7. In the principal Act, in section 18(7), replace “any regulations made under section 77(1)(oa)” with “this Act”.

## Amendment of section 19

### 8. In the principal Act, in section 19 —

(a) in subsection (1), replace “The” with “Subject to subsections (2A) and (2B), the”;

(b) after subsection (2), insert —

“(2A) Where either Account A or Account B (mentioned in subsection (1)) or both are special accounts that have since been closed under section 13AA(1), subsections (1) and (2) apply with the following modifications:

(a) if only Account A is closed —

(i) any refund to Account B under subsection (1) must be deducted from the relevant individual’s accounts in the Fund in accordance with section 13AA(7) or (8), whichever is applicable; and

(ii) any interest in respect of the refunded amount under subsection (2)(b) must be deducted from the relevant individual’s accounts in the Fund in accordance with section 13AA(7) or (8), whichever is applicable;

(b) if only Account B is closed —

(i) any refund to Account B under subsection (1) must be paid to the member’s accounts in the Fund in accordance with section 13AA(4); and

(ii) any interest in respect of the refunded amount under subsection (2)(a) must be paid to the member’s accounts in the Fund in accordance with

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section 13AA(5) or (6), whichever is applicable;

(c) if both Account A and Account B are closed —

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(i) any refund to Account B under subsection (1) must be paid to the member’s accounts in the Fund in accordance with section 13AA(4) by deducting that refund from the relevant individual’s accounts in the Fund in accordance with section 13AA(7) or (8), whichever is applicable;

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(ii) subsection (2)(a) applies as modified by paragraph (b)(ii); and

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(iii) subsection (2)(b) applies as modified by paragraph (a)(ii).

(2B) Where the moneys transferred to Account A mentioned in subsection (1) have been transferred to another account in the Fund of the relevant individual (called in this subsection Account C) pursuant to section 13(7C), 15(6CA), 15AA(5) or 18(4), subsections (1) and (2) apply with the following modifications:

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(a) any refund to Account B under subsection (1) must be deducted from Account C;

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(b) any interest in respect of the refunded amount to be deducted under subsection (2)(b) must be deducted from Account C, and is the whole or any part, as the Board may determine, of —

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(i) any interest paid into Account A and Account C that accrued to the refunded amount while the refunded



amount was in Account A and Account C; and

(ii) if applicable, any interest paid in respect of the refunded amount in connection with an initial transfer specified in section 13(7D).”; and

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(c) in subsection (4), in the definition of “refunded amount”, after “subsection (1)”, insert “, as modified by subsection (2A) or (2B), if applicable”.

### **Amendment of section 20**

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9. In the principal Act, in section 20(1D) —

(a) in paragraph (a)(iii), after “account”, insert “, if the member had a special account at the time of his or her death”; and

(b) in paragraph (b), after “special account”, insert “(if any)”. 15

### **Amendment of section 27B**

10. In the principal Act, in section 27B(6)(b)(i) and (7)(b)(i), delete “17.”.

### **Amendment of section 45**

11. In the principal Act, in section 45 —

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(a) replace subsection (2) with —

“(2) Despite anything in this Act but subject to subsection (4), the Board is entitled to deduct the whole or any part of a premium payable by an insured person from the moneys standing to the credit of the insured person in any of his or her accounts in the Fund.

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(2A) For the purposes of subsection (2), the deduction may be made from different accounts in the Fund for different classes of members or a particular member.”; and

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(b) replace subsection (4) with —

“(4) Where any premium payable by an insured person under the Scheme is not paid in the manner or within the time prescribed by regulations made under section 51, either or both of the following apply:

(a) the Board or appointed insurer may deduct the unpaid amount (in whole or in part) from any payment for an insured sum that the Board or appointed insurer (as the case may be) may make under the Scheme under section 49;

(b) the unpaid amount (in whole or in part) may be paid in such other manner and within such time as the Board may allow.”.

#### **Amendment of section 61B**

**12.** In the principal Act, in section 61B(1A), replace “or special account” wherever it appears with “, special account or retirement account”.

#### **Amendment of section 66A**

**13.** In the principal Act, in section 66A(2), replace “or special account” with “, special account or retirement account”.

#### **Amendment of section 71**

**14.** In the principal Act, in section 71, after subsection (6), insert —

“(6A) Despite subsection (6), if any interest was credited to the member’s special account in respect of the amount of the refund or payment but the special account has since been closed under section 13AA(1), any interest for the purposes of subsection (6)(a), (b) or (c) may be determined in accordance with section 13AA(5), (6), (7) or (8), whichever is applicable.”.

### Amendment of section 75

15. In the principal Act, in section 75(2)(c) —

(a) in sub-paragraph (ii), replace “section 13(7H)” with “section 13(7H), (7HA), (7HB)”; and

(b) after sub-paragraph (ii), insert —

“(iia) a transaction under section 13AA or in accordance with that section;”.

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### Amendment of section 77

16. In the principal Act, in section 77(1), after paragraph (ka), insert —

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“(kb) for the purposes of sections 13(5AA), 13AA and 15(1B) and (7E) and other provisions of this Act relating to the use of a special account or its closure, including in relation to —

(i) the transfer of moneys from a member’s special account to the member’s retirement account or ordinary account, or both, in connection with the closure of the special account;

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(ii) the transfer of moneys between subsidiary accounts of a member;

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(iii) the transfer of moneys from a member’s subsidiary account to another member’s subsidiary account, or to the general moneys of the Fund;

(iv) the order in which moneys or interest (or both) may be paid to, or deducted, transferred or withdrawn from, a member’s retirement account or ordinary account, or both;

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(v) the allocation between the retirement account and ordinary account of a member of moneys or interest (or both) that may be paid to, or deducted, transferred or withdrawn from, either or both of those accounts;

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(vi) the different application of any of the matters described in sub-paragraphs (i) to (v) in different circumstances or for different classes of members; and

5 (vii) any transitional, saving and other consequential, incidental and supplemental provisions in connection with the closure of the special account that are necessary or expedient;”.

10 PART 2

AMENDMENTS RELATING TO  
HOME PROTECTION INSURANCE SCHEME

**Amendment of section 28**

17. In the principal Act, in section 28(1) —

15 (a) after the definition of “approved mortgagee”, insert —

““assessed risk” means the risk that a person’s health condition may result in death or incapacity, as assessed by the Board;” and

(b) after the definition of “premium”, insert —

20 ““premium loading” means any additional amount payable as a premium imposed in accordance with section 32A, over and above the premium payable by a member of the Scheme under section 32(1);”.

25 **Amendment of section 31**

18. In the principal Act, in section 31 —

(a) in the section heading, replace “**Medical**” with “**Health**”; and

(b) after subsection (2), insert —

“(2A) The terms and conditions mentioned in subsection (2) may provide for all or any of the following matters:

- (a) exclude coverage for claims arising from any of the person’s pre-existing health conditions; 5
- (b) impose premium loading;
- (c) any other matter prescribed by regulations made under section 39.”.

### **Amendment of section 32**

**19.** In the principal Act, in section 32, replace subsection (4) with — 10

“(4) Where any premium payable by a Scheme member is not paid in the manner or within the time prescribed by regulations made under section 39, either or both of the following apply: 15

- (a) the Board may deduct the unpaid amount (in whole or in part) from any payment from the insured sum which the Board may make under the Scheme under section 36(1), (2) or (6);
- (b) the unpaid amount (in whole or in part) may be paid in such other manner and within such time as the Board may allow.”. 20

### **New section 32A**

**20.** In the principal Act, after section 32, insert —

#### **“Premium loading**

**32A.—**(1) The Board may impose premium loading as a term and condition under section 31(2A) if — 25

- (a) the person’s assessed risk exceeds the threshold determined by the Board; and
- (b) the Board is satisfied that any other criteria determined by the Board, which may affect the person’s health, are met. 30

(2) If the Board is satisfied that a member’s assessed risk has been reduced, the Board may reduce or waive the premium loading payable by the member.

5 (3) Where the member applies to adjust his or her existing insurance cover under the Scheme, the Board may allow the adjustment with an increase in the amount of premium loading payable by the member if the member’s assessed risk has increased.

10 (4) Sections 32 (except for subsection (1)), 33 and 37 apply to a member’s premium loading as if references to premiums include the amount of the member’s premium loading.”.

### **Amendment of section 39**

**21.** In the principal Act, in section 39 —

(a) after paragraph (a), insert —

15 “(aa) provide for the maximum amount of premium loading payable by members;”;

(b) in paragraph (b), after “premiums”, insert “and premium loading”; and

(c) replace paragraph (f) with —

20 “(f) provide the circumstances for the refund of any premium or premium loading (and the whole or such part, as the Board may determine, of any interest that would have been payable on the amount of the  
25 premium or premium loading if that amount had been standing to a person’s credit in the person’s account in the Fund), and the manner and rate of such refunds;”.

## PART 3

AMENDMENTS RELATING TO  
CONSTITUTION AND MEMBERSHIP OF BOARD**Amendment of section 3**

**22.** In the principal Act, in section 3(1), replace paragraphs (a), (b) and (c) with — 5

- “(a) the Chairperson appointed under section 4(1); and  
(b) the other members appointed under section 4(4).”.

**Amendment of section 4**

**23.** In the principal Act, in section 4 — 10

(a) in subsection (1), replace “shall appoint a” with “must appoint a person (who is not the chief executive officer) as the”;

(b) replace subsection (2) with —

“(2) The Minister, with the President’s concurrence under Article 22A(1)(b) of the Constitution, may appoint any other member of the Board appointed under subsection (4) (who is not the chief executive officer) as the Deputy Chairperson of the Board.”; 15

(c) replace subsection (3A) with — 20

“(3A) The Minister, with the President’s concurrence under Article 22A(1)(b) of the Constitution, may appoint any other member of the Board appointed under subsection (4) (who is not the chief executive officer) to act temporarily as — 25

(a) the Chairperson; or

(b) the Deputy Chairperson,

during the temporary incapacity from illness or otherwise, or during the temporary absence from Singapore, of the Chairperson or Deputy Chairperson, as the case may be.”; 30

(d) in subsection (4)(a), replace “persons holding office of emolument under the Government” with “public officers representing the Government”;

(e) in subsection (4)(d), replace “7” with “8”;

5 (f) in subsection (4A), after “Board”, insert “under subsection (4)(d)”;

(g) after subsection (4A), insert —

10 “(4B) Any appointment under subsection (2) or (4) may be for a term of 3 years or a shorter term determined by the Minister in any case, and each member so appointed is eligible for re-appointment.”;

(h) replace subsection (6) with —

“**(6)** At a meeting of the Board in relation to any matter, the following person presides:

15 (a) if the Chairperson is present and is not interested (within the meaning given by Part 4 of the Public Sector (Governance) Act 2018) in the matter — the Chairperson;

20 (b) if the Chairperson is not present or is interested (within the meaning given by Part 4 of the Public Sector (Governance) Act 2018) in the matter, and the Deputy Chairperson who is not so interested in the matter is present — the Deputy Chairperson;

25 (c) in any other case — the member elected from among the members present at the meeting.

30 (6A) The person specified in subsection (6)(b) or (c) may exercise the powers and perform the functions of the Chairperson for the purposes of the meeting.”; and

(i) replace subsections (8) and (9) with —



“(8) The Minister may, at any time, accept the resignation of the Chairperson or any other member of the Board.

(9) The Minister, with the President’s concurrence under Article 22A(1)(b) of the Constitution, may at any time revoke the appointment of the Chairperson or any other member of the Board.”.

5

## PART 4

### AMENDMENTS RELATING TO CHARGES AND UNDERTAKINGS

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#### **Amendment of section 15**

**24.** In the principal Act, in section 15(4)(b) —

(a) after “21B(1),”, insert “21C(1),”; and

(b) after “27D(1)(j)(i)”, insert “or deemed to be given under section 21C(2) or 21D(1)”.

15

#### **Amendment of section 15AB**

**25.** In the principal Act, in section 15AB(1), (2), (10), (11) and (13), after “secure the payment”, insert “, in the prescribed circumstances,”.

#### **Amendment of section 21**

20

**26.** In the principal Act, in section 21(1), after “secure the repayment”, insert “, in the prescribed circumstances,”.

#### **Amendment of section 21A**

**27.** In the principal Act, in section 21A(1), after “secure the repayment”, insert “, in the prescribed circumstances,”.

25

#### **Amendment of section 21B**

**28.—(1)** In the principal Act, in section 21B —

(a) in subsection (1), after “secure the repayment”, insert “, in the prescribed circumstances,”;

(b) in subsection (3), after paragraph (a), insert —

“(aa) subject to any subsidy recovery amount in respect of the HDB flat;”;

(c) in subsection (9), replace “applied —” with “applied to the following payments in the following order of priority:”;

(d) in subsection (9), replace paragraphs (a), (b) and (c) with —

“(a) to discharge all statutory rights and charges of any public authority over the HDB flat;

(aa) to pay any subsidy recovery amount in respect of the HDB flat;

(b) to pay any resale levy imposed by the Housing and Development Board in respect of the HDB flat, subject to the exception mentioned in subsection (3)(b);

(c) in the absence of any agreement giving priority to the Board, to discharge all encumbrances registered or notified prior to the date of the constitution of the charge;”;

(e) in subsection (9)(d), delete “fourthly,”;

(f) in subsection (9)(e), delete “fifthly,”;

(g) in subsection (9)(e), delete “and” at the end;

(h) in subsection (9)(f), delete “finally,”;

(i) after subsection (11A), insert —

“(11B) In this section, “subsidy recovery amount” means an amount that the Housing and Development Board is entitled to recover upon the disposal of an HDB flat priced with additional subsidies which are specified for the purposes of this subsection by regulations made under section 77(1).”; and

(j) after subsection (13), insert —

“(14) In this section, a reference to the disposal of an HDB flat includes the sale, transfer, assignment or other disposal of any interest or estate in the HDB flat, whether voluntary or otherwise.”

(2) In the case of any HDB flat priced with additional subsidies which was purchased on or after 17 November 2021 and before the date of commencement of this section, section 21B of the principal Act applies as if subsection (1) had been commenced on 17 November 2021. 5

### **New sections 21C, 21D and 21E** 10

29. In the principal Act, after section 21B, insert —

**“Continued relevant charge or relevant undertaking after relevant transaction**

**21C.—**(1) Subject to subsection (3), where —

- (a) there is a relevant charge on any immovable property (called in this subsection the original property) which secures a corresponding payment; 15
- (b) the original property is disposed of in a relevant transaction; and
- (c) the relevant owner acquires an interest or estate in a replacement property as a result of the relevant transaction, 20

then, subject to any regulations made under section 77(1), the following provisions apply:

- (d) a charge (called in this subsection a continued charge) is constituted on the replacement property to continue to secure the corresponding payment; 25
- (e) the continued charge extends to all the rights, benefits and interests, in relation to the replacement property, of the relevant owner and all other persons who jointly own the replacement property; 30
- (f) despite anything in the Land Titles Act 1993 or the Registration of Deeds Act 1988, the continued charge

is deemed to have the same order of priority as the relevant charge, as if the continued charge had been constituted when the relevant charge was constituted;

- 5 (g) the applicable provisions apply to the continued charge and the replacement property, as they would have applied to the relevant charge and the original property mentioned in paragraph (a) if the relevant transaction had not occurred, with the modifications (if any) prescribed by regulations made under  
10 section 77(1).

(2) Subject to subsection (3), where —

- 15 (a) there is a relevant undertaking given by the relevant owner in respect of any immovable property (called in this subsection the original property) for the refund or payment of an amount mentioned in paragraph (a), (b), (c) or (d) of the definition of “relevant undertaking” in section 21E(1) (called in this section a corresponding payment);
- 20 (b) the original property is disposed of in a relevant transaction; and
- (c) the relevant owner acquires an interest or estate in a replacement property as a result of the relevant transaction,

25 then, subject to any regulations made under section 77(1), the relevant owner and every other person who acquires an interest or estate in the replacement property as a result of the relevant transaction is deemed to have given an undertaking for the corresponding payment to be made, in the event that the replacement property is subsequently disposed of, from the  
30 proceeds of the disposal of the replacement property.

(3) Subsections (1) and (2) do not apply if, before the relevant owner acquires an interest or estate in the replacement property, the corresponding payments secured by the relevant charge or the subject of the relevant undertaking (as the case may be) —

- 35 (a) have been paid to the Board; or

(b) by virtue of any regulations made under section 77(1),  
are no longer required to be paid.

(4) The applicable provisions apply to the deemed undertaking under subsection (2) and the replacement property, as they would have applied to the relevant undertaking and the original property if the relevant transaction had not occurred, with the modifications (if any) prescribed by regulations made under section 77(1).

(5) Where, before the date of commencement of section 29 of the Central Provident Fund (Amendment) Act 2024 —

(a) an original property was disposed of in a relevant transaction which resulted in a relevant owner acquiring a replacement property;

(b) on the subsequent disposal of the replacement property, a corresponding payment (purported to be secured by a relevant charge on, or payable under a relevant undertaking in respect of, the original property) was paid from any person's share of the proceeds of the disposal of the replacement property; and

(c) that payment would have been valid if this section had been in force when the relevant transaction occurred,

then the following apply:

(d) that payment is taken to be and always to have been validly made;

(e) no legal proceedings lie, or may be instituted or maintained, in any court of law on account of or in respect of that payment.

(6) To avoid doubt —

(a) where the relevant undertaking is an undertaking mentioned in paragraph (c) or (d) of the definition of “relevant undertaking” in section 21E(1), references in this section to immovable property and original property in relation to the relevant undertaking refer

to the replacement property the proceeds of disposal from which the corresponding payment is undertaken to be paid under the relevant undertaking; and

- 5 (b) where the relevant charge is a charge mentioned in paragraph (g) of the definition of “relevant charge” in section 21E(1), references in this section to immovable property and original property in relation to the relevant charge refer to the replacement property on which the relevant charge was constituted.
- 10

**Deemed undertaking by subsequent owner of immovable property with relevant undertaking**

15 **21D.**—(1) Subject to regulations made under section 77(1), every person, on becoming a joint tenant or a tenant-in-common of an immovable property (whether before, on or after the date of commencement of section 29 of the Central Provident Fund (Amendment) Act 2024) in respect of which there is a relevant undertaking for a refund or payment, is deemed to have given an undertaking for the refund or payment to be made from the proceeds of the disposal of the immovable property in the event that the immovable property is subsequently disposed of.

20

(2) The applicable provisions apply to the deemed undertaking under subsection (1), as they would have applied to the relevant undertaking, with the modifications (if any) prescribed by regulations made under section 77(1).

25

(3) Where, before the date of commencement of section 29 of the Central Provident Fund (Amendment) Act 2024 —

- 30 (a) a refund or payment under a relevant undertaking in respect of an immovable property was made from any person’s share of the proceeds of the disposal of the immovable property; and

- (b) that refund or payment would have been valid if this section had been in force when the person mentioned in paragraph (a) acquired his or her interest or estate in the immovable property,

then the following apply:

- (c) the refund or payment is taken to be and always to have been validly made;
- (d) no legal proceedings lie, or may be instituted or maintained, in any court of law on account of or in respect of such refund or payment.

(4) To avoid doubt, where the relevant undertaking is an undertaking mentioned in paragraph (c) or (d) of the definition of “relevant undertaking” in section 21E(1), references in this section to immovable property refer to the replacement property the proceeds of disposal from which the corresponding payment is undertaken to be paid under the relevant undertaking.

### **Definitions and interpretation of provisions relating to immovable property**

**21E.—(1)** In this section, sections 21C and 21D and Part 3A —

“applicable provision” —

- (a) in relation to a continued charge constituted under section 21C(1), means the following provisions corresponding to the relevant charge referred to in section 21C(1)(a):

(i) if the relevant charge is a charge under section 15AB(1) or (2), or under section 15(9) or (9A) of the Act as in force before 1 March 2022 — section 15AB(15);

(ii) if the relevant charge is a charge under section 15AB(10), (11) or (13) or under section 15(11D), (11E) or (11EB) of the

Act as in force before 1 March 2022 —  
section 15AB(14);

(iii) if the relevant charge is a charge under  
section 21(1) — section 21(1A) to (12);

5 (iv) if the relevant charge is a charge under  
section 21A(1) — section 21A(1A) to (10)  
and section 21(12);

10 (v) if the relevant charge is a charge under  
section 21B(1) — section 21B(2) to (11B)  
and section 21(12);

(vi) if the relevant charge is a charge under  
section 27C(1)(i) — section 27C(1)(g),  
(j), (k) and (l);

15 (vii) if the relevant charge is a charge under  
section 27D(1)(j)(ii) — section 27D(1)(h)  
and (l);

(viii) if the relevant charge is a charge under  
section 27DA(1)(i) —  
section 27DA(1)(g), (j) and (k);

20 (ix) if the relevant charge is a charge under  
section 27DB(2)(e) —  
section 27DB(2)(c), (f) and (g);

25 (x) if the relevant charge is a charge under  
section 27E(1)(h) — section 27E(1)(f), (i)  
and (j);

(xi) if the relevant charge is a charge under  
section 27F(1)(h) — section 27F(1)(f), (i),  
(j) and (k);

30 (xii) if the relevant charge is a charge under  
section 21C(1) (called in this  
sub-paragraph the earlier continued  
charge) — the applicable provisions in  
relation to that earlier continued charge;  
and



(b) in relation to a deemed undertaking under section 21C(2) or 21D(1), means the following provisions corresponding to the relevant undertaking referred to in sections 21C(2)(a) and 21D(1):

5

(i) if the relevant undertaking is an undertaking under section 15AB(3) or (4), or under section 15(10) or (10A) of the Act as in force before 1 March 2022 — section 15AB(5);

10

(ii) if the relevant undertaking is an undertaking under section 27D(1)(j)(i) — section 27D(1)(k);

(iii) if the relevant undertaking is a deemed undertaking under section 21C(2) or 21D(1) (called in this sub-paragraph the earlier deemed undertaking) — the applicable provisions in relation to that earlier deemed undertaking;

15

“original property”, in relation to a relevant charge or relevant undertaking, means any immovable property on which the relevant charge is constituted or in respect of which a relevant undertaking is given;

20

“relevant charge” means a charge mentioned in the following paragraphs (constituted before, on or after the date of commencement of section 29 of the Central Provident Fund (Amendment) Act 2024) which secures payment to the Board, on the disposal of an immovable property, of the payment mentioned in the same paragraph (called the corresponding payment):

25

30

(a) a charge under section 15AB(1) or (2), or under section 15(9) or (9A) of the Act as in force before 1 March 2022 — payment of the whole or part of the member’s retirement sum;

- (b) a charge under section 15AB(10), or under section 15(11D) of the Act as in force before 1 March 2022 — payment of an amount withdrawn by a member;
- 5 (c) a charge under section 15AB(11), or under section 15(11E) of the Act as in force before 1 March 2022 — payment of the entire surrender value of a member's approved annuity;
- 10 (d) a charge under section 15AB(13), or under section 15(11EB) of the Act as in force before 1 March 2022 — payment of the whole or part of the retirement sum applicable to a member;
- 15 (e) a charge under section 21(1), 21A(1) or 21B(1) — repayment of the money withdrawn from the Fund including the whole or such part, as the Board may determine, of the interest that would have been payable thereon if the withdrawal had not been made;
- 20 (f) a charge under section 27C(1)(i), 27D(1)(j)(ii), 27DA(1)(i), 27DB(2)(e), 27E(1)(h) or 27F(1)(h) — payment of an amount referred to in section 27C(1)(g), 27D(1)(h), 27DA(1)(g), 27DB(2)(c), 27E(1)(f) or 27F(1)(f), respectively, to be credited to one or more designated accounts maintained, or to be maintained, for a member's spouse;
- 25 (g) a charge under section 21C(1) where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in paragraph (a), (b), (c), (d), (e) or (f) or this paragraph — payment of the corresponding payment mentioned in paragraph (a), (b), (c), (d), (e) or (f) (as the case may be) applicable to that relevant charge;
- 30
- 35

“relevant owner” means —

- (a) in relation to an immovable property on which there is a relevant charge — all persons to whose rights, benefits and interest the relevant charge extends; and 5
- (b) in relation to an immovable property in respect of which there is a relevant undertaking — all persons who have given or consented to, or are deemed to have given, the relevant undertaking;

“relevant transaction” means — 10

- (a) the surrender of the certificate of title, subsidiary certificate of title or duplicate lease of the original property for a new certificate of title, subsidiary certificate of title or duplicate lease of a replacement property; or 15
- (b) any other transaction prescribed by regulations made under section 77(1) in which the original property is disposed of and results in a relevant owner acquiring an interest or estate in a replacement property; 20

“relevant undertaking” means any of the following undertakings given before, on or after the date of commencement of section 29 of the Central Provident Fund (Amendment) Act 2024:

- (a) an undertaking by a member under section 15AB(3) or (4), or section 15(10) or (10A) of the Act as in force before 1 March 2022, to refund to the Board an amount equal to the member’s retirement sum or part thereof which is required to be set aside; 25 30
- (b) an undertaking by a member’s spouse under section 27D(1)(j)(i) to pay to the Board an amount referred to in section 27D(1)(h) to be credited to one or more designated accounts

maintained, or to be maintained, for the member's spouse;

(c) an undertaking deemed to be given under section 21C(2), where the relevant undertaking referred to in that provision is an undertaking mentioned in paragraph (a), (b) or (d) or this paragraph, to pay to the Board the amount mentioned in paragraph (a) or (b) (as the case may be) applicable to that relevant undertaking;

(d) an undertaking deemed to be given under section 21D(1), where the relevant undertaking referred to in that provision is an undertaking mentioned in paragraph (a), (b) or (c), to pay to the Board the amount mentioned in paragraph (a) or (b) (as the case may be) applicable to that relevant undertaking;

“replacement property” means immovable property which —

(a) includes the whole or part of an original property; and

(b) is acquired by a relevant owner as a result of a relevant transaction;

“spouse” includes a former spouse.

(2) In this section, sections 15AB(3) and (4), 21C and 21D and Part 3A —

(a) a reference to a relevant charge on immovable property includes a relevant charge in respect of an interest or estate in the immovable property;

(b) a reference to the disposal of an immovable property includes the sale, transfer, assignment or other disposal of any interest or estate in the immovable property, whether voluntary or otherwise.

(3) To avoid doubt, in this section and sections 15AB(3), (4) and (8) to (14), 21, 21A, 21C and 21D, “immovable property” includes an HDB flat unless the context otherwise requires.”.

#### **Amendment of section 24**

**30.** In the principal Act, in section 24(1) — 5

(a) in paragraph (c)(iii), after “(13),”, insert “21C(1),”; and

(b) in paragraph (d), after “27D(1)(j)(i)”, insert “or deemed to be given under section 21C(2) or 21D(1)”.

#### **Amendment of section 27B**

**31.** In the principal Act, in section 27B, after subsection (8), insert — 10

“(9) To avoid doubt, the reference in section 27B(6)(b)(i) and (7)(b)(i) to a withdrawal of money standing to the credit of a member referred to in section 21, 21A or 21B includes a reference to a withdrawal of money standing to the credit of the member that is secured by — 15

(a) a charge under section 21C(1), where the relevant charge referred to in section 21C(1)(a) is a charge under section 21(1), 21A(1), 21B(1), 27E(1)(h) or 27F(1)(h); 20

(b) a charge under section 21C(1), where the relevant charge referred to in section 21C(1)(a) is a charge under section 21C(1), where the relevant charge is a charge under section 21C(1) mentioned in paragraph (a) or this paragraph; or 25

(c) a charge under section 27E(1)(h) or 27F(1)(h).”.

#### **Amendment of section 27C**

**32.** In the principal Act, in section 27C —

(a) in the section heading, replace “**in relation to which charge has been created under section 15AB(1) or (2)**” with “**with charge mentioned in section 15AB(1) or (2) or 21C(1)**”; 30

(b) in subsection (1), replace paragraph (b) with —

“(b) any of the following charges has been created or constituted:

(i) a charge mentioned in section 15AB(1) or (2) on an immovable property wholly owned by the member or jointly owned by the member and one or more other persons (as the case may be) to secure the payment to the Board of the member’s retirement sum;

(ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the member’s retirement sum, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the payment to the Board of the member’s retirement sum;”;

(c) in subsections (1)(c) and (2)(c), after “immovable property”, insert “or replacement property (as the case may be)”;

(d) in subsection (1), after “then, subject to”, insert “subsection (1A) and”;

(e) after subsection (1), insert —

“(1A) In the case of a charge mentioned in subsection (1)(b)(ii) on a replacement property, subsection (1) applies with the following modifications:

(a) any reference to immovable property in subsection (1)(g), (h), (i) (except

sub-paragraph (i)) and (l) is to be read as a reference to the replacement property;

(b) in addition to subsection (1)(k), any reference to immovable property in section 15AB(14)(b) and (c) is to be read as a reference to the replacement property.”;

(f) in subsection (2), replace paragraph (b) with —

“(b) any of the following charges has been created or constituted:

(i) a charge mentioned in section 15AB(1) or (2) on an immovable property wholly owned by the member or jointly owned by the member and one or more other persons (as the case may be) to secure the payment to the Board of the member’s retirement sum;

(ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the member’s retirement sum, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the payment to the Board of the member’s retirement sum; and”;

(g) in subsection (2), replace “is entitled” with “or replacement property (as the case may be) is entitled”.

### Amendment of section 27D

33. In the principal Act, in section 27D —

(a) in the section heading, replace “**in relation to which undertaking has been given under section 15AB(3) or (4)**” with “**with undertaking under section 15AB(3) or (4) or 21C(2) or 21D(1)**”;

(b) in subsection (1), replace paragraph (c) with —

“(c) the member has given or is deemed to have given any of the following undertakings:

(i) an undertaking under section 15AB(3), or (with the other person or persons mentioned in paragraph (b)) under section 15AB(3) or (4), to refund to the Board an amount equal to the member’s retirement sum or part thereof which is required to be set aside in the event the immovable property is sold or otherwise disposed of;

(ii) an undertaking deemed to be given under section 21C(2), where the relevant undertaking referred to in that provision is an undertaking mentioned in sub-paragraph (i) or under section 27D(1)(j)(i) or 21C(2), for the refund mentioned in that sub-paragraph to be made from the proceeds of the disposal of the replacement property in the event that the replacement property is subsequently sold or otherwise disposed of;

(iii) an undertaking deemed to be given under section 21D(1), where the



relevant undertaking referred to in that provision is an undertaking mentioned in sub-paragraph (i) or under section 27D(1)(j)(i), for the refund mentioned in that sub-paragraph to be made from the proceeds of the disposal of the immovable property in the event that the immovable property is subsequently sold or otherwise disposed of;”;

- (c) in subsections (1)(d) and (2)(d), after “immovable property”, insert “or replacement property (as the case may be)”;
- (d) in subsection (1), after “then, subject to”, insert “subsection (1A) and”;
- (e) in subsection (1)(i), after “section 15AB(3) or (4)”, insert “, 21C(2) or 21D(1)”;
- (f) after subsection (1), insert —
- “(1A) In the case of an undertaking mentioned in subsection (1)(c)(ii) in respect of a replacement property, subsection (1) applies with the following modifications:
- (a) any reference to immovable property in subsection (1)(h), (i) and (j) (except sub-paragraph (i)) is to be read as a reference to the replacement property;
- (b) in addition to subsection (1)(l), any reference to immovable property in section 15AB(14)(a) to (c) is to be read as a reference to the replacement property.”; and
- (g) in subsection (2), replace paragraph (c) with —

“(c) the member has given or is deemed to have given any of the following undertakings:

5 (i) an undertaking under section 15AB(3), or (with the other person or persons mentioned in paragraph (b)) under section 15AB(3) or (4), to refund to the Board an amount equal to the member’s retirement sum or part thereof which is required to be set aside in the event the immovable property is sold or otherwise disposed of;

10 (ii) an undertaking deemed to be given under section 21C(2), where the relevant undertaking referred to in that provision is an undertaking mentioned in sub-paragraph (i) or under section 27D(1)(j)(i) or 21C(2), for the refund mentioned in that sub-paragraph to be made from the proceeds of the disposal of the replacement property in the event that the replacement property is  
15  
20  
25 subsequently sold or otherwise disposed of;

30 (iii) an undertaking deemed to be given under section 21D(1), where the relevant undertaking referred to in that provision is an undertaking mentioned in sub-paragraph (i) or under section 27D(1)(j)(i), for the refund mentioned in that sub-paragraph to be made from the proceeds of the disposal of the  
35 immovable property in the event that the immovable property is

subsequently sold or otherwise disposed of; and”.

### **Amendment of section 27DA**

**34.** In the principal Act, in section 27DA —

- (a) in the section heading, replace “**in relation to which charge has been created under section 15AB(10) or (11)**” with “**with charge under section 15AB(10) or (11) or 21C(1)**”; 5
- (b) in subsection (1), replace paragraph (b) with —
- “(b) any of the following charges has been constituted: 10
- (i) a charge constituted under section 15AB(10) or (11) on an immovable property wholly owned by the member or jointly owned by the member and one or more other persons (as the case may be) to secure the payment to the Board of the amount withdrawn by the member; 15
- (ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the amount withdrawn by the member, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the payment to the Board of the amount withdrawn by the member;” 25
- (c) in subsections (1)(c) and (2)(c), after “immovable property”, insert “or replacement property (as the case may be)”; 30

(d) in subsection (1), after “then, subject to”, insert “subsection (1A) and”;

(e) after subsection (1), insert —

5 “(1A) In the case of a charge mentioned in subsection (1)(b)(ii) on a replacement property, subsection (1) applies with the following modifications:

10 (a) any reference to immovable property in subsection (1)(g), (h), (i) and (k) is to be read as a reference to the replacement property;

15 (b) in addition to subsection (1)(j), any reference to immovable property in section 15AB(14)(b) and (c) is to be read as a reference to the replacement property.”;

(f) in subsection (2), replace paragraph (b) with —

“(b) any of the following charges has been constituted:

20 (i) a charge constituted under section 15AB(10) or (11) on an immovable property wholly owned by the member or jointly owned by the member and one or more other persons (as the case may be) to secure the payment to the Board of the amount withdrawn by the member;

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30  
35 (ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the amount withdrawn by the member, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a

charge under section 21C(1) for the payment to the Board of the amount withdrawn by the member; and”; and

- (g) in subsection (2), replace “is entitled” with “or replacement property (as the case may be) is entitled”.

5

### **Amendment of section 27DB**

**35.** In the principal Act, in section 27DB —

- (a) in the section heading, replace “**in relation to which charge has been created under section 15AB(13)**” with “**with charge under section 15AB(13) or 21C(1)**”;

10

- (b) in subsection (1), replace paragraph (b) with —

“(b) any of the following charges has been constituted:

- (i) a charge constituted under section 15AB(13) on the immovable property to secure the payment to the Board of the whole or part of the retirement sum;

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- (ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the whole or part of the retirement sum, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the payment to the Board of the whole or part of the retirement sum;”;

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25

- (c) in subsections (1)(c), (3)(c) and (5)(c), after “immovable property”, insert “or replacement property (as the case may be)”;

30

- (d) in subsection (2), after “Subject to”, insert “subsection (2A) and”;

(e) after subsection (2), insert —

“(2A) In the case of a charge mentioned in subsection (1)(b)(ii) on a replacement property, subsection (2) applies with the following modifications:

(a) any reference to immovable property in subsection (2)(c), (d), (e) and (g) is to be read as a reference to the replacement property;

(b) in addition to subsection (2)(f), any reference to immovable property in section 15AB(14)(b) and (c) is to be read as a reference to the replacement property.”;

(f) in subsection (3), replace paragraph (b) with —

“(b) any of the following charges has been constituted:

(i) a charge constituted under section 15AB(13) on the immovable property to secure the payment to the Board of the whole or part of the retirement sum;

(ii) a charge constituted under section 21C(1) on a replacement property to secure the payment to the Board of the whole or part of the retirement sum, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the payment to the Board of the whole or part of the retirement sum; and”;

(g) in subsection (4)(a), after “under section 15AB(13)”, insert “or 21C(1)”.

## Amendment of section 27E

36. In the principal Act, in section 27E —

(a) in the section heading, replace “**in relation to which charge under section 21(1) or 21A(1) exists**” with “**with charge under section 21(1), 21A(1) or 21C(1)**”; 5

(b) in subsection (1), after paragraph (a), insert —

“(aa) any of the following charges exists or has been constituted:

(i) a charge under section 21(1) or 21A(1) on the immovable property to secure the repayment to the Board of the money withdrawn from the Fund (including the whole or such part, as the Board may determine, of the interest that would have been payable thereon if the withdrawal had not been made); 10

(ii) a charge constituted under section 21C(1) on a replacement property to secure the repayment to the Board of that money and interest, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the repayment to the Board of that money and interest;” 15

(c) in subsections (1)(b) and (c) and (2)(b) and (c), after “immovable property”, insert “or replacement property (as the case may be)”; 20

(d) in subsection (1), after “then, subject to”, insert “subsection (1A) and”; 25

(e) in subsection (1)(i), replace “(9)” with “(9A)”;

(f) after subsection (1), insert — 30

“(1A) In the case of a charge mentioned in subsection (1)(aa)(ii) on a replacement property, subsection (1) applies with the following modifications:

5                   (a) any reference to immovable property in subsection (1)(f), (g), (h) and (j) is to be read as a reference to the replacement property;

10                   (b) in addition to subsection (1)(i), any reference to immovable property in section 21(1A), (2), (4) and (9) to (10A) or 21A(1A) to (3), (8) and (9A) (as the case may be) is to be read as a reference to the replacement property.”;

15                   (g) in subsection (2), after paragraph (a), insert —

                  “(aa) any of the following charges exists or has been constituted:

20                   (i) a charge under section 21(1) or 21A(1) on the immovable property to secure the repayment to the Board of the money withdrawn from the Fund (including the whole or such part, as the Board may determine, of the interest that would have been payable thereon if the withdrawal had not been made);

25                   (ii) a charge constituted under section 21C(1) on a replacement property to secure the repayment to the Board of that money and interest, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the repayment to the Board of that money and interest.”;

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- (h) in subsection (2)(d), replace “under section 21(1) or 21A(1) on any estate or interest in the immovable property” with “mentioned in paragraph (aa)”; and
- (i) in subsection (2)(d) and (e), replace “an interest in the immovable property” with “an interest in the immovable property or replacement property (as the case may be)”. 5

### **Amendment of section 27F**

**37.** In the principal Act, in section 27F —

- (a) in the section heading, replace “**in relation to which charge has been constituted under section 21B(1)**” with “**with charge under section 21B(1) or 21C(1)**”; 10

- (b) in subsection (1), after paragraph (a), insert —

“(aa) any of the following charges exists or has been constituted:

- (i) a charge under section 21B(1) on the HDB flat to secure the repayment to the Board of the money withdrawn from the Fund (including the whole or such part, as the Board may determine, of the interest that would have been payable thereon if the withdrawal had not been made); 15 20

- (ii) a charge constituted under section 21C(1) on a replacement property to secure the repayment to the Board of that money and interest, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the repayment to the Board of that money and interest;” 25 30

(c) in subsections (1)(b) and (c) and (2)(b), (c) and (e), after “HDB flat”, insert “or replacement property (as the case may be)”;

5 (d) in subsection (1), after “then, subject to”, insert “subsection (1A) and”;

(e) in subsection (1)(i), replace “21B(2), (3)(a), (b) and (d) and (5) to (11)” with “21B(2), (3) and (5) to (11B)”;

(f) after subsection (1), insert —

10 “(1A) In the case of a charge mentioned in subsection (1)(aa)(ii) on a replacement property, subsection (1) applies with the following modifications:

15 (a) any reference to the HDB flat in subsection (1)(f), (g), (h) and (k) is to be read as a reference to the replacement property;

20 (b) in addition to subsection (1)(i), any reference to the HDB flat in section 21B(2), (3), (5) to (8) and (10) to (11B) is to be read as a reference to the replacement property.”;

(g) in subsection (2), after paragraph (a), insert —

“(aa) any of the following charges exists or has been constituted:

25 (i) a charge under section 21B(1) on the HDB flat to secure the repayment to the Board of the money withdrawn from the Fund (including the whole or such part, as the Board may determine, of the interest that would have been payable thereon if the withdrawal had not been made);

30 (ii) a charge constituted under section 21C(1) on a replacement

property to secure the repayment to the Board of that money and interest, where the relevant charge referred to in section 21C(1)(a) is a charge mentioned in sub-paragraph (i) or a charge under section 21C(1) for the repayment to the Board of that money and interest;” and

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(h) in subsection (2)(d), replace “constituted on the HDB flat under section 21B(1)” with “mentioned in paragraph (aa)”.

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### **Amendment of section 77**

**38.** In the principal Act, in section 77(1)(o)(v) —

(a) after “secured”, insert “or payable”; and

(b) after “(13),”, insert “21C(1) or (2), 21D(1),”.

## **PART 5**

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### **AMENDMENT RELATING TO PROVISION OF PARTICULARS TO PROSPECTIVE EMPLOYER**

### **Amendment of section 59**

**39.** In the principal Act, in section 59, delete subsections (2), (3), (4) and (5).

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## **EXPLANATORY STATEMENT**

This Bill seeks to amend the Central Provident Fund Act 1953 (the Act) for the following main purposes:

- (a) to provide for the closure of the special account of a member who has attained the age of 55 years, unless any prescribed circumstances apply;
- (b) to allow the Central Provident Fund Board (the Board) to permit persons with certain serious health conditions to join the Home Protection Insurance Scheme subject to premium loading;

- (c) to simplify the constitution of the Board by providing for the Board to consist of a Chairperson and a maximum of 14 other members;
- (d) to prioritise the payment of the subsidy recovery amount for HDB flats priced with certain additional subsidies on the disposal of such flats;
- (e) to ensure that payments secured by CPF charges or payable under CPF undertakings are recoverable from the proceeds of the disposal of a replacement property (acquired as the result of the disposal of the property to which the CPF charge or CPF undertaking originally related and which includes the whole or part of that property) or where there are new owners;
- (f) to delete provisions that allow the Board to give certain particulars of a person's employment history to the person's prospective employer.

Clause 1 relates to the short title and commencement.

The rest of the Bill is divided into 5 Parts.

## PART 1

### AMENDMENTS RELATING TO CLOSURE OF SPECIAL ACCOUNT, ETC.

Part 1 consists of clauses 2 to 16 and mainly concerns amendments relating to the closure of the special account of a member.

Clause 2 amends section 13 mainly to provide for amendments arising from the closure of a member's special account, and to make amendments relating to the reversal of certain transfers, credits or payments to a member's account in the Fund and for the treatment of interest by the Board upon such a reversal. The key amendments are described in the following paragraphs.

Clause 2(b) amends subsection (1)(c) to clarify that a retirement account is a subsidiary account that may be maintained for each member, in view of the policy intent to close a member's special account.

Clause 2(c) inserts the new subsection (5AA) to allow the Board to credit accrued interest that was not yet credited to a member's special account before its closure, to the member's retirement account or ordinary account.

Under the new subsection (5AA), the general principle is that if there is a shortfall in the retirement sum applicable to the member or in the amount specified by the Minister pursuant to section 15AA(5)(a) (whichever is applicable), interest will be credited to the retirement account even if the interest so credited exceeds the shortfall. Interest may be credited to the member's ordinary account in any other case, or in prescribed circumstances despite there being that shortfall.

Clause 2(d) inserts the new subsection (7CA) which modifies section 13(7C) (the modified section 13(7C)) to provide for the restoration of an amount and treatment of interest in accordance with the relevant provisions of the new section 13AA (inserted by clause 3), if Account A is a special account that has since been closed.

Clause 2(e) inserts the new subsection (7GA), which applies section 13(7E), (7F) and (7G) to the modified section 13(7C) mainly so that the amount of interest to be paid under the modified section 13(7C)(b) continues to be computed in accordance with section 13(7E) where the circumstances described in section 13(7E) (such as the member not being an applicable person) apply.

Clause 2(f) inserts the new subsections (7HA) and (7HB) to modify the reversals of transfers of money and the treatment of any interest payable or paid under section 13(7H), where —

- (a) the special account of one or more than one member has since been closed under the new section 13AA(1); or
- (b) there are subsequent transfers after the first transfer of any money as mentioned in section 13(7H).

Clause 2(g) replaces the existing subsection (7I), by re-enacting the existing provisions with some amendments. The key amendments relate to how the credit or payment of money under subsection (7I), and the treatment of interest to be transferred to the general moneys of the Fund, may be made where —

- (a) the member's special account has since been closed under the new section 13AA(1); or
- (b) there are subsequent transfers after the credit or payment (as the case may be) of any money as mentioned in the new subsection (7I).

In particular, where a member's special account has since been closed under the new section 13AA(1), the reversals of the transfers, credits or payments under the new subsections (7HA) and (7I) and determination of interest are to be dealt with under the relevant provisions of the new section 13AA.

Clause 3 inserts the new section 13AA to provide for the closure of special accounts of certain members. The key provisions are described in the following paragraphs.

The new section 13AA(1) allows the Board, on or after the date of commencement of clause 3, to close the special account of a member who has attained the age of 55 years (whether before, on or after that date), unless any prescribed circumstances apply.

The new section 13AA(2) provides for the transfer of moneys in a member's special account to the member's ordinary account or retirement account (or both) in accordance with regulations made under section 77(1), in connection with the

closure of the member's special account. Those regulations may provide for different transfers according to different circumstances or different classes of members (by virtue of the new section 77(1)(kb)(vi) inserted by clause 16).

The new section 13AA(3) to (8) provides for how transactions relating to payments, deductions and transfers of any amount and any interest payable in respect of the amount may be made in relation to the retirement account or ordinary account of a member (or both) if the member's special account has since been closed, and the treatment by the Board of interest in respect of that amount.

Under the new section 13AA(4) to (8), the Board may credit or debit a different account for the amount and any interest in respect of the amount if a special account has been closed. The provisions also contemplate applying a different treatment of interest depending on the circumstances. For example, if the amount (in whole or in part) is treated as if it were in a member's special account and the special account had not been closed, the rate of interest declared from time to time for the special account will apply. In comparison, if the amount is treated as if it were in the member's retirement account or ordinary account, the rate of interest declared from time to time for the retirement account or the ordinary account (as the case may be) may apply. The interest may be calculated based on a relevant period defined in the new section 13AA(10).

The new section 13AA(9) concerns how the Board's determination of interest in relation to a special account would be modified after the special account is closed.

Clause 4 amends section 13B(2) to insert a reference to a retirement account, so that a voluntary contribution under section 7(4) or 13B(1) may also be credited into a retirement account upon the closure of a special account.

Clause 5 amends section 15 mainly to insert the new subsection (1B) (as inserted by clause 5(a)), which allows the Board, with the Minister's approval, to give its authority for the withdrawal or transfer of any amount from a member's ordinary account or retirement account, or both (whether with or without an application by a person). The authority conferred on the Board to act without an application by a person is limited to a prescribed class of payments.

Clause 6 deletes section 17 as section 77(1) provides for regulations to be made in relation to the same subject matter covered in section 17.

Clause 7 amends section 18(7) to clarify that the moneys transferred to or paid into a special account must be applied in accordance with the Act (which would include regulations made under section 77(1) by virtue of the Interpretation Act 1965).

Clause 8 mainly inserts the new subsections (2A) and (2B) into section 19 to modify the making of refunds and treatment of interest under section 19(1) and (2), respectively. The key modifications relate to the refund of moneys from any

applicable accounts in the Fund of a relevant individual to any applicable accounts in the Fund of a member, and treatment by the Board of interest to be paid or deducted in connection with the refund, where —

- (a) the special account of the relevant individual or the member has since been closed under the new section 13AA(1), or both have since been so closed; or
- (b) there are subsequent transfers after the first transfer of moneys to the relevant individual's account.

In particular, where a special account has since been closed under the new section 13AA(1), the refund and deductions necessary for that refund (including any interest) are to be dealt with under the relevant provisions of the new section 13AA.

Clause 9 amends section 20(1D) to make amendments consequential upon the closure of a special account.

Clause 10 amends section 27B to make amendments consequential upon the deletion of section 17 by clause 6.

Clause 11 amends section 45 mainly to replace the existing subsections (2) and (4).

The new subsection (2) that replaces the existing subsection (2) would entitle the Board to deduct any premium from any account in the Fund of the member, instead of only the ordinary account and special account since the member's special account could be closed.

The new subsection (4) that replaces the existing subsection (4) would allow the Board or appointed insurer to deduct any unpaid premium from any payment for an insured sum that the Board or appointed insurer (as the case may be) may make under the Scheme under section 49. The unpaid amount may also be paid in such other manner or within such time as the Board may allow.

Clause 12 amends section 61B(1A) to insert a reference to a retirement account in relation to a member, so that the Board may require, and the court may order, certain refunds or transfers to the member's retirement account instead, if the member's special account is closed.

Clause 13 amends section 66A(2) to insert a reference to a retirement account in relation to the member, and is related to the amendment of section 61B(1A) by clause 12.

Clause 14 amends section 71 to insert a new subsection (6A) so that if any interest was credited to the member's special account in respect of the amount of the refund or payment but the special account has since been closed, the treatment of interest for the purposes of subsection (6)(a), (b) or (c) is dealt with under the relevant provisions of the new section 13AA (inserted by clause 3).

Clause 15 amends section 75(2)(c) to allow the Board to do a transaction under the new section 13(7HA) or (7HB) (inserted by clause 2(f)), or to do a transaction under or in accordance with the new section 13AA (inserted by clause 3), as if the member had not died.

Clause 16 amends section 77(1) to insert a new paragraph (kb) to provide for the making of regulations in connection with the closure of special accounts.

## PART 2

### AMENDMENTS RELATING TO HOME PROTECTION INSURANCE SCHEME

Part 2 consists of clauses 17 to 21.

Clause 17 amends section 28 to insert new definitions. Clause 17(a) defines “assessed risk” as the risk assessed by the Board that a person’s health condition may result in death or incapacity. Clause 17(b) defines “premium loading” as the additional amount of premium imposed on persons in accordance with the new section 32A (inserted by clause 20).

Clause 18 amends section 31 to insert a new subsection (2A) to provide that the terms and conditions that may be imposed by the Board under subsection (2) may provide for exclusions of coverage, premium loading and such other matters prescribed. The clause also amends the section heading of section 31 to refer to the “health condition” of a member of the Scheme instead of “medical condition” to be consistent with the reference in subsection (1) to the person being in “good health”.

Clause 19 replaces section 32(4) to provide that where any premium is not paid, the Board may deduct the unpaid premium from any payment from the insured sum which the Board may make under the Scheme under section 36(1), (2) or (6). Alternatively, the unpaid premium may be paid in such other manner and within such time as the Board may allow.

Clause 20 inserts the new section 32A which provides that premium loading may be imposed by the Board if the person’s assessed risk exceeds the threshold determined by the Board and the Board is satisfied that any other criteria determined by the Board, which may affect the person’s health, are met. The new section 32A also provides when premium loading may be reduced or increased. The new section 32A also clarifies that references to premiums in sections 32 (except for subsection (1)), 33 and 37 include the amount of premium loading.

Clause 21 amends section 39 to clarify that regulations may be made to prescribe the maximum amount of premium loading payable by members and to make consequential amendments to paragraphs (b) and (f) to refer to premium loading.



## PART 3

AMENDMENTS RELATING TO  
CONSTITUTION AND MEMBERSHIP OF BOARD

Part 3 consists of clauses 22 and 23 and concerns amendments relating to the constitution and membership of the Board.

Clause 22 amends section 3 to provide for the Board to consist of the Chairperson appointed under section 4(1) and the other members appointed under section 4(4). This amendment clarifies that the appointment of the Deputy Chairperson (presently stated as a separate appointment under section 3(1)(b)) is discretionary and may be appointed from the other members, subject to the amendment of section 4(2) by clause 23(b).

Clause 23 amends section 4 in relation to the membership of the Board and certain proceedings of the Board. The key amendments are described below:

- (a) subsections (1), (2) and (3A) are respectively amended by clause 23(a), (b) and (c) mainly to preclude the appointment of the chief executive officer as the Chairperson or Deputy Chairperson of the Board, or a person who acts temporarily as either of those office holders;
- (b) subsection (4)(d) is amended by clause 23(e) to increase the number of other members appointed under that provision from 7 to 8;
- (c) the new subsection (6) inserted by clause 23(h) clarifies the person who may preside a meeting of the Board in relation to a matter, and the new subsection (6A) confers the powers and functions of the Chairperson on the person who presides for the purposes of that meeting.

## PART 4

AMENDMENTS RELATING TO  
CHARGES AND UNDERTAKINGS

Part 4 consists of clauses 24 to 38.

Clause 24 makes consequential amendments to section 15(4)(b) to refer to the new sections 21C and 21D.

Clauses 25, 26, 27 and 28(1)(a) amend sections 15AB(1), (2), (10), (11) and (13), 21(1), 21A(1) and 21B(1) to clarify that the CPF charges under those provisions secure amounts which are repayable in the prescribed circumstances, namely, the disposal of the immovable property to which the charges relate.

Clause 28 amends section 21B to prioritise the payment of the subsidy recovery amount for HDB flats priced with additional subsidies on the disposal of

such flats. In the case of any HDB flat priced with additional subsidies purchased on or after 17 November 2021 but before the date of commencement of clause 28, section 21B applies as if it had been amended by clause 28(1) with effect from 17 November 2021.

Clause 29 inserts the new sections 21C, 21D and 21E.

Section 21C(1) and (2) applies where there is a relevant transaction (that is, the disposal of an immovable property to which a CPF charge or CPF undertaking originally related (the original property)) which results in a relevant owner (defined in section 21E(1)) acquiring an interest or estate in a replacement property (which includes the whole or part of the original property).

As the replacement property may technically be a different immovable property from the original property, section 21C(1) constitutes a separate charge (continued charge) on the replacement property which continues all the attributes of the CPF charge on the original property. Similarly, section 21C(2) provides that the relevant owner and every other person who acquires an interest or estate in the replacement property as a result of a relevant transaction is deemed to have given an undertaking (deemed undertaking) for the payments to which the CPF undertaking in respect of the original property originally related to be made from the proceeds of the disposal of the replacement property. Section 21C(3) provides that section 21C(1) and (2) does not apply where, before the relevant owner acquires an interest or estate in the replacement property, those payments are no longer required to be paid either because they have been paid to the Board or by virtue of any regulations made under section 77(1).

Section 21C(1)(g) and (4) provides that the applicable provisions (defined in section 21E(1)) apply to the continued charge or deemed undertaking (respectively) with the prescribed modifications, if any.

Section 21C(5) validates payments which have been made from a person's share of the proceeds of the disposal of a replacement property (purported to be secured by a CPF charge on, or payable under a CPF undertaking in respect of, the original property) before the new provision comes into force, if that payment would have been valid if the new provision had taken effect. In those circumstances, no proceedings can be taken in any court of law on account of or in respect of the payment.

Section 21D provides that the subsequent owners of an immovable property with a relevant undertaking (defined in section 21E(1)) are deemed to have given an undertaking for the refunds or payments payable under the CPF undertaking from the proceeds of the disposal of the immovable property. It validates such refunds or payments made from a person's share of the proceeds of the disposal of the immovable property before the new provision comes into force if that refund or payment would have been valid if the new provision had taken effect. In those

circumstances, no proceedings can be taken in any court of law on account of or in respect of the refund or payment.

Section 21E(1) defines the following terms used in relation to continued charges and deemed undertakings: “applicable provision”, “original property”, “relevant charge”, “relevant owner”, “relevant transaction”, “relevant undertaking”, “replacement property” and “spouse”. Section 21E(2) explains various references in sections 15AB(3) and (4), 21C, 21D and 21E and Part 3A. Section 21E(3) clarifies that “immovable property” in sections 15AB(3), (4) and (8) to (14), 21, 21A, 21C, 21D and 21E includes an HDB flat.

Clause 30 makes consequential amendments to section 24(1) to refer to the new sections 21C and 21D.

Clause 31 inserts the new section 27B(9) to clarify the circumstances in which section 27B(6)(b)(i) and (7)(b)(i) applies to a withdrawal in relation to a continued charge constituted under the new section 21C(1) or a charge under section 27E(1)(h) or 27F(1)(h).

Clause 32 extends the application of section 27C to a continued charge under the new section 21C(1).

Clause 33 extends the application of section 27D to a deemed undertaking under the new section 21C(2) or 21D(1).

Clause 34 extends the application of section 27DA to a continued charge under the new section 21C(1).

Clause 35 extends the application of section 27DB to a continued charge under the new section 21C(1).

Clause 36 extends the application of section 27E to a continued charge under the new section 21C(1) and amends section 27E(1)(i) to refer to section 21A(9A).

Clause 37 extends the application of section 27F to a continued charge under the new section 21C(1) and makes consequential amendments to section 27F(1)(i) to refer to section 21B(3), (11A) and (11B).

Clause 38 makes consequential amendments to section 77(1)(o)(v) to refer to the new sections 21C and 21D.

## PART 5

### AMENDMENT RELATING TO PROVISION OF PARTICULARS TO PROSPECTIVE EMPLOYER

Clause 39 deletes subsections (2), (3), (4) and (5) of section 59 to delete the provisions that allow the Board to give certain particulars of a person’s employment history to the person’s prospective employer, as employers may

obtain such particulars from prospective employees or rely on other sources of information for such particulars.

## EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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