

EIGHTH PARLIAMENT OF SINGAPORE

SECOND SESSION

ORDER PAPER SUPPLEMENT

Sup No. 10

FRIDAY, 12TH JULY, 1996

102

NOTICES OF AMENDMENTS TO BILLS

IN COMMITTEE

1. STAMP DUTIES (AMENDMENT) BILL [Bill No. 16/96]

Clause 4:

Minister for Finance:

In page 2, line 33: after "10(a)", to insert ",(aa)".

Clause 6:

Minister for Finance:

- (1) **In page 3:** to leave out line 37 to line 18 in page 4 and insert -

"(4) Where a person, having contracted jointly or otherwise for the purchase of any property but not having obtained a conveyance thereof, directs the vendor of the property in writing to convey or transfer the property or any share therein -

- (a) to another person; or

- (b) where the person contracted for the purchase of the property jointly with another, to the joint purchasers in shares other than as specified in the contract for the purchase of the property,

the direction shall, for the purpose of this Act, be treated as a contract or an agreement for the sale of that property or share therein for a consideration equal to the value of that property or share therein and shall be chargeable with duty as if it were an actual conveyance on sale of that property or share therein."

- (2) **In page 4, line 35:** to leave out "the" and insert "a".

- (3) **In page 4:** after line 38, to insert -

"(c) the property is acquired or is proposed for acquisition by any public authority pursuant to the provisions of any written law authorising or empowering the public authority to acquire land compulsorily."

- (4) **In page 5:** to leave out lines 28 to 30 and insert -

"(8) Subject to the provisions of this Act, this section shall apply to instruments made on or after 15th May 1996."

- (5) **In page 5, line 33:** to leave out "residential".

- (6) **In page 5, line 34:** to leave out "under section 22" and insert "pursuant to section 22 (including any instrument chargeable in like manner)".

- (7) **In page 5, line 38:** after "sale", to insert "as if it were an actual conveyance on sale of residential property".

- (8) **In page 6, line 1:** to leave out "the residential property" and insert "residential property or any part thereof".
- (9) **In page 6, line 5:** after "property" where it secondly occurs, to insert "or any part thereof".
- (10) **In page 6, lines 10, 14 and 21:** to leave out "residential" in each case.
- (11) **In page 6:** to leave out line 24 and insert "a conveyance on sale of".
- (12) **In page 6, line 29:** to leave out "residential".
- (13) **In page 6, line 32:** to leave out "the residential property" and insert "residential property or any part thereof".
- (14) **In page 6, line 36:** after "that property", to insert "or any part thereof".
- (15) **In page 6:** after line 36, to insert -

"(3) Subject to the provisions of this Act, any instrument made on or after 15th May 1996 whereby an exchange of any property is effected shall be treated for the purpose of this section as a conveyance on sale of residential property if residential property or any part thereof is being disposed of under the instrument by any party thereto before the expiration of 3 years from the date on which the party acquired the residential property or any part thereof; and that instrument shall be charged with additional ad valorem duty under subsection (1) as if it were an actual conveyance on sale of residential property by the party who acquired his property later for a consideration equal to the value of the property of greater value."

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(16) **In page 7, line 7:** to leave out from "a" to "residential" in line 8 and insert "conveyance on sale of".

(17) **In page 7:** to leave out lines 15 to 33 and insert -

"conveyance or transfer, residential property or shares in one or more relevant investment companies, or both such property and shares, constitute in the aggregate at least 75% of the market value of the total tangible assets of the private company as at the end of the accounting period of that private company immediately before the date of the conveyance or transfer."

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(18) **In page 7, line 34:** to leave out from "Where" to "the" in line 39 and insert "in any conveyance on sale of residential property (including any instrument which is chargeable in like manner)".

(19) **In page 8 line 6:** to leave out from "upon" to the end of line 17 and insert -

"a conveyance on sale of residential property (including any instrument which is chargeable in like manner) -

(a) the consideration for the sale or the value of the property, whichever is applicable, shall be reduced by such amount as the Commissioner considers to be attributable to such part of the property which is lawfully used for purposes other than residential purposes; and

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- (b) where parts of the property were acquired by the vendor or transferor at different times, the duty shall be reduced by such amount as the Commissioner determines to be in excess of the duty which would have been chargeable under this section if the property had been conveyed in separate parts,

and the decisions of the Commissioner under paragraphs (a) and (b), respectively, shall be final."

- (20) **In page 9, line 12:** to leave out "by transmission on death or".

- (21) **In page 9:** after line 24, to insert -

"(b) a reference to a relevant investment company is a reference to any private company which has residential property the value of which comprises at least 75% of the market value of its total tangible assets as at the end of the accounting period of the company immediately before the date of the conveyance or transfer of shares referred to in subsection (4);".

- (22) **In page 9:** after line 31, to insert -

"(d) where a person entitled to any property by way of security or to the benefit of a charge or incumbrance on any property deals with the property for the purposes of enforcing or giving effect to the security, charge or incumbrance, his dealings with it shall be treated as if they were done through him as nominee by the person entitled to it subject to the security, charge or incumbrance;"

(23) In page 10: after line 25, to insert -

"(b) any person disposing of residential property in accordance with any of the provisions of the Residential Property Act (Cap.274) or any notice or direction issued thereunder; or".

(24) In page 10: after line 29, to insert -

"Exempted instruments made on or after 15th May 1996.

22B.-(1) Notwithstanding any other provision in this Act, where -

- (a) any contract or agreement for the sale of an HDB flat is made before 15th May 1996 subject to the approval of the Housing and Development Board; 5
- (b) the owner of the HDB flat has immediately before that date occupied the HDB flat for not less than the period specified by the Board in relation to that owner; and 10
- (c) the application for the approval of the Board is made to the Board before 15th June 1996, 20

the contract or agreement shall be chargeable with duty under this Act as if it had not been amended by the Stamp Duties (Amendment) Act 1996. 25

(2) Notwithstanding any other provision in this Act, where -

- (a) an option is granted in favour of the Board before 15th May 1996 in respect of an HDB flat or an option is granted before that date in respect of any other immovable property; 5 10
- (b) the option is exercised at any time after that date but before 15th June 1996; and
- (c) the contract or agreement resulting from the exercise of the option is presented at any stamp office before 15th June 1996 for the purpose of being stamped, 15 20

that contract or agreement shall be chargeable with duty under this Act as if it had not been amended by the Stamp Duties (Amendment) Act 1996. 25

(3) For the purpose of determining any penalty under section 46, any contract or agreement which is chargeable with duty under this Act as amended by the Stamp Duties (Amendment) Act 1996 by reason only of any failure to comply with subsection (1)(c) or (2)(c) shall be deemed to have been first executed in Singapore or, if first executed outside Singapore, to have been first received in Singapore on the following dates: 30 35

- (a) in the case of a contract or agreement for the sale of an HDB flat - on the date of the first appointment with the Board in relation to the sale; or 5

- (b) in the case of a contract or agreement resulting from an option referred to in subsection (2)(a) - on 14th June 1996 or the actual date of its first execution or first receipt in Singapore, whichever date is later. 10 15

(4) In this section -

"Board" and "Housing and Development Board" mean the Housing and Development Board constituted under the Housing and Development Act (Cap.129); 20

"HDB flat" means any flat sold by the Board subject to the provisions of Part IV of the Housing and Development Act; 25

"option" means an option where the grantor binds himself to sell; 30

"owner", in relation to any flat, means a purchaser of a leasehold interest in the flat, including a purchaser under an agreement for a lease." 35

Note: Consequential amendments:

- (1) **In page 4, line 27:** to leave out "(8)" and insert "(7)".
- (2) **In page 4, line 34:** to leave out "or".
- (3) **In page 4, line 38:** to leave out the full-stop and insert "; or".
- (4) **In page 4, line 39:** to leave out "(7)" and insert "(6)".
- (5) **In pages 4 and 5:** to renumber subsections (6), (7) and (8) as subsections (5), (6) and (7), respectively.
- (6) **In page 5:** to leave out the marginal note and insert -
"Contracts and instruments chargeable as conveyances on sale of residential property."
- (7) **In page 8, line 18:** to leave out "(6)" where it secondly occurs and insert "(5)".
- (8) **In page 8, line 35:** to leave out "(8) and (9)" and insert "(9) and (10)".
- (9) **In page 9:** to re-letter paragraphs (b), (c) and (d) of subsection (8) as paragraphs (c), (e) and (f), respectively.
- (10) **In page 10, line 25:** to leave out "or".
- (11) **In page 10, line 29:** to leave out " ".
- (12) **In page 10:** to re-letter paragraph (b) of subsection (10) as paragraph (c).
- (13) **To re-number subsections (3), (4), (5), (6), (7), (8), (9) and (10) as subsections (4), (5), (6), (7), (8), (9), (10) and (11), respectively.**

Clause 18:**Minister for Finance:****(1) In page 15: to leave out lines 19 to 36 and insert -**

"In addition to duty under paragraph (a) or (b), where the property, or any share in a private company referred to in section 22A(4), is disposed of in the following periods from the date of its acquisition:

Amount of consideration or value of property, whichever is applicable	Within one year	Exceeding one year but not exceeding 2 years	Exceeding 2 years but not exceeding 3 years	
(i) for every \$100 or any part thereof of the first \$180,000	\$1	\$0.67	\$0.33	10
(ii) for every \$100 or any part thereof of the next \$180,000	\$2	\$1.33	\$0.67	15
(iii) thereafter for every \$100 or any part thereof	\$3	\$2	\$1.	20

(2) In page 15: after line 36, to insert -

"(2) The First Schedule to the principal Act is amended by deleting Article 31 and substituting the following Article:

31. SURRENDER OF LEASE

(a) for consideration

The same duty as for a conveyance on sale for a consideration equal to the amount of such consideration

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(b) in any other case

\$10".

Note: Consequential amendment:

In page 15, line 15: to renumber existing clause 18 as sub-clause (1).

Clause 19:

Minister for Finance:

In page 16: to leave out lines 6 to 10 and insert -

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|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "(a) Paragraphs (a), (b) to (g) | The grantee or transferee. |
| (b) Paragraph (aa) | |
| (i) instrument effecting exchange | The parties in equal shares unless only one party is disposing of his property under the instrument before the expiration of 3 years from the date on which it was acquired, whereupon duty shall be paid only by that party. |
| (ii) in any other case | The grantor, transferor or lessor."; and". |

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2. INCOME TAX (AMENDMENT) BILL [Bill No. 17/96]

Clause 2:

Minister for Finance:

- (1) **In page 2, line 38:** to leave out "Where" and insert "Unless regulations made under subsection (9) otherwise provide, where".
- (2) **In page 4:** to leave out line 3 (including marginal reference) and insert "any written law".

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- (3) **In page 4:** to leave out lines 6, 7 and 8 and insert "without any option to purchase and which is for a term not exceeding 7 years in the aggregate;".
- (4) **In page 4:** to leave out line 9 and insert -
- (e) as a result of repossession and termination of a lease by any statutory body under the written law establishing that statutory body;
- (f) in accordance with any provision of the Residential Property Act (Cap.274) or any notice or direction issued thereunder; or".
- (5) **In page 6:** after line 12, to insert -
- (d) for prescribing a different time of acquisition or disposal of any real property or class of real property, or by any person or class of persons; and".
- (6) **In page 7, line 16:** to leave out "of such" where they secondly occur.
- (7) **In page 8, line 13:** after ""acquire"", to insert ", in relation to any shares in a relevant company,".
- (8) **In page 8:** to leave out line 32.
- (9) **In page 11, line 12:** to leave out "a" and insert "one or more".
- (10) **In page 11, line 13:** to leave out "company" and insert "companies".
- (11) **In page 12:** after line 16, to insert -
- (f) the date of acquisition or disposal of any real property shall be determined in accordance with section 10F.".

Note: Consequential amendments:

- (1) **In page 4, line 10:** to re-letter paragraph (f) as paragraph (g).
 - (2) **In page 6, line 12:** to leave out "and".
 - (3) **In page 6, line 13:** to re-letter paragraph (d) as paragraph (e).
 - (4) **In page 8, line 31:** after "winding-up;", to insert "or".
 - (5) **In page 8, line 33:** to re-letter paragraph (d) as paragraph (c).
 - (6) **In page 12, line 16:** to leave out the full-stop and insert a semi-colon.
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