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Notification No. B 50 — The Property Tax (Amendment) Bill is hereby published for general information. It was introduced in Parliament on 13th December 1965.

Property Tax (Amendment) Bill

Bill No. 50/1965.

Read the first time on 13th December 1965.

A BILL

intituled

An Act to amend the Property Tax Ordinance, 1960 (No. 72 of 1960).

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 may be cited as the Property Tax (Amendment) Act, 1965, and shall come into operation on the 1st day of January 1966.

Amendment of section 2

5 2. Section 2 of the Property Tax Ordinance, 1960 (hereinafter in this Act referred to as “the Ordinance”) is hereby amended —

(a) by deleting the definition of “annual value” appearing therein and substituting therefor the following: —

10 ““annual value”, as used of a house or building or land or tenement, not being a wharf, pier, jetty or landing-stage, means the gross amount at which the same can reasonably be expected to be let from year to year, the landlord paying the expenses of repair, insurance, maintenance or
15 upkeep and all taxes; and, as used of a wharf, pier, jetty or landing-stage, means the gross amount at which the same can reasonably be expected to be let from year to year, the tenant paying the expenses of repair, insurance,
20 maintenance or upkeep:

Provided that —

(a) in assessing the annual value of any premises in or upon which there is any machinery used for the following purposes or any of them: —

(i) the making of any article or part of an article;

(ii) the altering, repairing, ornamenting or finishing of any article; or

30 (iii) the adapting for sale of any article, the enhanced value given to the premises by the presence of such machinery shall not be taken into consideration, and for the

purpose of this definition “machinery” includes the steam engines, boilers and other motive power belonging to such machinery;

- (b) in assessing the annual value of any property the “annual value” of such property shall, at the option of the Chief Assessor, be deemed to be the annual value as hereinbefore defined or the sum which is equivalent to the annual interest at five *per centum* —
- (i) on the estimated value of such property, including buildings, if any, thereon; or
 - (ii) on the estimated value of the land as if it were vacant land with no buildings erected, or being erected, thereon;
- (c) in estimating the annual value of any house, building, land or tenement, the “annual value” of such house, building, land or tenement shall, at the option of the Chief Assessor, mean the annual equivalent of the gross rent at which the same is let or licensed to the occupier or occupiers, as the case may be, and in arriving at such annual equivalent the Chief Assessor may also give consideration to any capital or periodical sums or any other consideration whatsoever, if any, which, it appears to the Chief Assessor, may have also been paid;
- (d) where land is occupied as appurtenant to any house or building, but is in excess of the quantity fixed by the Comptroller with the sanction of the Minister, such excess land shall be deemed to be vacant land and the “annual value” shall be separately

assessed at a sum which is equivalent to the annual interest at five *per centum* on the estimated value of such land; except that where such land is occupied or capable of being developed for building purposes, any money expended with the object of developing that land for building purposes shall be deducted from the estimated improved value of such land for a period of five years after such expenditure;”;

(b) by inserting immediately after the definition of “annual value” appearing therein the following new definition: —

““building” means any structure erected on land and includes any house, hut, shed or similar roofed enclosure, whether used for the purposes of human habitation or otherwise, and includes any ship, dock, wharf, pier, jetty, landing-stage, underground or overground tank for the storage of solids, liquids or gases, and any oil refinery;” and

(c) by deleting the definitions of “Consolidated Fund” and “Treasury” appearing therein.

Amendment of section 4

3. Subsection (1) of section 4 of the Ordinance is hereby amended by deleting the words “the Treasury for the credit of” appearing in the fourth and fifth lines thereof.

Amendment of section 9

4. Section 9 of the Ordinance is hereby amended by substituting a full-stop for the colon appearing at the end of the fifth line thereof and by deleting the proviso thereto.

Amendment of section 10

5. Section 10 of the Ordinance is hereby amended by inserting immediately after subsection (2) thereof the following new subsection: —

“(3) Where, in any year, notice is issued under the provisions of section 17 proposing an amendment to the Valuation List, and it is not possible to include this amendment in the Valuation List for the ensuing year before it is authenticated, the Chief Assessor shall amend the Valuation List for the ensuing year in accordance with the proposals contained in the notice or in accordance with the decision on an objection or appeal if an objection or appeal has been lodged against the proposals contained in the notice, and in respect of such amendment to the Valuation List for the ensuing year the provisions of section 17 shall not apply.”.

Amendment of section 16

6. Section 16 of the Ordinance is hereby amended —

- (a) by deleting the words “purchaser or transferee” appearing in the fourth and fifth lines of subsection (1) thereof and substituting therefor the words “vendor or transferor”;
- (b) by inserting immediately after subsection (7) thereof the following new subsection: —
 - “(8) Whenever the rent of any property let is increased, the owner of such property shall, within fifteen days of such increase, give notice thereof in writing to the Chief Assessor.”;
- (c) by re-numbering the existing subsection (8) thereof as subsection (9) and by deleting the word “building” appearing in the first and second lines of that subsection and substituting therefor in each case the word “property”;
- (d) by re-numbering subsection (9) thereof as subsection (10) and by deleting the words “five hundred” appearing in the last line of that subsection and substituting therefor the words “five thousand”.

Amendment of section 17

7. Section 17 of the Ordinance is hereby amended —

(a) by deleting the colon appearing at the end of the fifth line of subsection (1) thereof and substituting therefor a full-stop and by deleting the proviso thereto;

(b) by inserting immediately after subsection (5) thereof the following new subsections: —

“(6) For the purposes of this section the Valuation List shall be deemed to be inaccurate in a material particular where —

(a) the Chief Assessor is of the opinion that the annual value of a property included in the Valuation List does not correctly represent the annual value evidenced by —

(i) the rental obtained from a tenant in respect of a property previously occupied by the owner;

(ii) the increased or decreased rental obtained in respect of the letting out of that or similar property; or

(iii) the consideration paid or value passing on the sale or transfer directly or indirectly of any estate or interest in that or similar property, including the sale or transfer of seventy-five *per centum* or more of the issued ordinary shares of a land-owning company, whether or not the Chief Assessor exercises the option given in paragraph (b) of the proviso to the definition of “annual value” in section 2;

(b) the Chief Assessor is of the opinion that the rental, if any, obtained from the tenant is

lower than the gross amount at which the property could reasonably be expected to be let from year to year;

- (c) any new building is erected or any building is re-built, enlarged, altered, improved or demolished; 5
- (d) property, not exempted from the provisions of this Ordinance, has not been included in the Valuation List:

Provided that any alteration to a Valuation List required for the purpose of correcting any of the matters referred to in paragraphs (a), (b) and (d) of subsection (2) of section 8 or for the correction of any clerical or arithmetical error therein, shall not in itself constitute an amendment and may be made at any time. 10 15

(7) For the purposes of this section a

“land-owning company” means a company the main object or one of the main objects of which is the development of property by the construction of houses or buildings thereon for the purpose of sale or rent.”. 20

Amendment of section 18

8. Subsection (5) of section 18 of the Ordinance is hereby deleted. 25

Amendment of section 50

9. Subsection (1) of section 50 of the Ordinance is hereby amended by deleting the expression “, subject and without prejudice to the rights of the Crown,” appearing in the third and fourth lines thereof.

Amendment of section 63

10. Subsection (1) of section 63 of the Ordinance is hereby amended by deleting the word “objections” wherever it appears in paragraphs 30

(a), (b) and (c) thereof and substituting therefor in each case the word “appeals”.

EXPLANATORY STATEMENT

This Bill seeks to make a number of amendments to the Property Tax Ordinance, 1960 (Ord. 72 of 1960).

The definition of “annual value” is to be deleted and substituted to make its intention clear, and a new definition of “building” is to be included to remove doubts as to whether certain structures will be liable to the payment of property tax under the Ordinance. The circumstances in which the annual Valuation List may be amended by the Chief Assessor are set out in the Bill.

As the vendor or transferor of property remains liable to tax until notice is given, provision is made that he should give notice of transfer instead of the purchaser or transferee. Owners of rented properties are to be required to notify any changes in the amount of rent received, and owners of any property previously occupied by themselves are required to give notice if such property is let out. The maximum limit of fines which might be imposed for failure to give notice as required under the Ordinance is to be increased to five thousand dollars.

The opportunity has been taken to make minor amendments to the Ordinance.

EXPENDITURE OF PUBLIC MONEY

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