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No. S 372

STAMP DUTIES ACT
(CHAPTER 312)

STAMP DUTIES
(RELIEF FROM STAMP DUTY UPON
RECONSTRUCTION OR AMALGAMATION OF COMPANIES)
(AMENDMENT) RULES 2014

In exercise of the powers conferred by sections 15 and 77 of the Stamp Duties Act, the Minister for Finance hereby makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Stamp Duties (Relief from Stamp Duty upon Reconstruction or Amalgamation of Companies) (Amendment) Rules 2014 and shall come into operation on 22nd May 2014.

Amendment of rule 3

2. Rule 3 of the Stamp Duties (Relief from Stamp Duty upon Reconstruction or Amalgamation of Companies) Rules (R 3) is amended —

- (a) by deleting the word “The” in paragraph (1) and substituting the words “Subject to paragraph (3), the”;
- (b) by deleting the word “and” at the end of paragraph (1)(a);
- (c) by deleting the full-stop at the end of sub-paragraph (b) of paragraph (1) and substituting a semi-colon, and by inserting immediately thereafter the following sub-paragraphs:

“(c) that the claim for relief from duty is made —

- (i) in a case where the instrument in question is executed in Singapore, within 14 days after such execution; and

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- (ii) in a case where the instrument in question is executed outside Singapore, within 30 days after such execution;
- (d) that where the claim for relief from duty is made before the execution of the instrument in question, the instrument is executed within 4 months after any indication by the Commissioner that the duty will not be chargeable on the instrument on the basis of the likelihood of the other conditions being satisfied.”; and
- (d) by inserting, immediately after paragraph (2), the following paragraphs:
- “(3) Where the transferee company is wholly associated with the existing company, then —
- (a) notwithstanding paragraph (1)(a), the reference to valuable consideration at the open market value may be read as a reference to valuable consideration at the existing company’s book value;
- (b) notwithstanding paragraph (1)(b), any part or the whole of the consideration for the acquisition in question (including such part thereof as consists in the transfer to or discharge by the transferee company of liabilities of the existing company) may be paid in cash; and
- (c) the Commissioner may, in his discretion and subject to such terms and conditions as he may impose, extend any period referred to in paragraph (1)(c) and (d) if, in unavoidable circumstances —
- (i) in the case of paragraph (1)(c), the claim for relief could not be made within the

14-day or 30-day period, as the case may be; and

- (ii) in the case of paragraph (1)(d), the instrument could not be executed within the 4-month period.

(4) For the purposes of paragraph (3), the transferee company shall be taken to be wholly associated with the existing company if —

- (a) either one of the companies is the beneficial owner (directly or indirectly) of 100% of the reckonable share capital of the other company; and where the first-mentioned company is an indirect beneficial owner of 100% of the reckonable share capital of the other company, the first-mentioned company has 100% of the voting power in respect of the other company; or
- (b) a third company is the beneficial owner (directly or indirectly) of 100% of the reckonable share capital of each of the transferee company and the existing company; and where the third company is an indirect beneficial owner of 100% of the reckonable share capital of the transferee company or the existing company, the third company has 100% of the voting power in respect of that company.”.

Amendment of rule 7

3. Rule 7 of the Stamp Duties (Relief from Stamp Duty upon Reconstruction or Amalgamation of Companies) Rules is amended —

- (a) by inserting, immediately before the words “the instrument” in paragraph (1)(c), the words “subject to paragraph (3),”;
- (b) by inserting, immediately before the words “the instrument” in paragraph (2)(b), the words “subject to paragraph (3),”;
- (c) by inserting, immediately after paragraph (2), the following paragraph:

“(3) The Commissioner may, in his discretion and subject to such terms and conditions as he may impose, extend the 12-month period referred to in paragraph (1)(c)(i) or (2)(b)(i), as the case may be, if, in unavoidable circumstances, the instrument cannot be executed within the 12-month period.”.

[G.N. No. S 678/2008]

Made this 15th day of May 2014.

LIM SOO HOON
Permanent Secretary
(Finance) (Performance),
Ministry of Finance,
Singapore.

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