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HOUSING AND DEVELOPMENT ACT 1959

HOUSING AND DEVELOPMENT (INTEREST AND PENALTIES FOR LATE PAYMENT OF IMPROVEMENT CONTRIBUTIONS) (AMENDMENT) RULES 2023

In exercise of the powers conferred by section 85 of the Housing and Development Act 1959, the Minister for National Development makes the following Rules:

Citation and commencement

1. These Rules are the Housing and Development (Interest and Penalties for Late Payment of Improvement Contributions) (Amendment) Rules 2023 and come into operation on 1 November 2023.

Amendment of rule 2

2. In the Housing and Development (Interest and Penalties for Late Payment of Improvement Contributions) Rules (R 8) (called in these Rules the principal Rules), in rule 2 —

(a) before the definition of “grace period”, insert —

““3-month compounded SORA”, in relation to a period, means —

(a) if the period or a part of the period falls within the 6-month period beginning on 1 April of a calendar year, then, in relation to the period or the part (as the case may be) — the compounded average of the SORA values for the 3-month period immediately before 1 March of the same calendar year, as determined

and published by the Monetary Authority of Singapore on its website at <http://www.mas.gov.sg> or (where the website is unavailable to the public) in one or more other forms that are readily accessible by the public; or

- (b) if the period or a part of the period falls within the 6-month period beginning on 1 October of a calendar year, then, in relation to the period or the part (as the case may be) — the compounded average of the SORA values for the 3-month period immediately before 1 September of the same calendar year, as determined and published by the Monetary Authority of Singapore on its website at <http://www.mas.gov.sg> or (where the website is unavailable to the public) in one or more other forms that are readily accessible by the public;”;
- (b) in the definitions of “member of the Fund” and “ordinary account”, replace the full-stop at the end with a semi-colon; and
- (c) after the definitions of “member of the Fund” and “ordinary account”, insert —

““Singapore Overnight Rate Average” or “SORA” means the volume-weighted average rate of borrowing transactions in the unsecured overnight interbank Singapore dollar cash market in Singapore between 8 a.m. and 6.15 p.m., as determined and published by the Monetary Authority of Singapore on its website at <http://www.mas.gov.sg> or (where the website is unavailable to the public) in one or more other forms that are readily accessible by the public.”.

Amendment of rule 3

3. In the principal Rules, in rule 3 —

(a) in paragraph (2), replace “for every month in which the improvement contribution or instalment or any part thereof is in arrears, a penalty until all of the improvement contribution or instalment or part thereof in arrears is paid” with “a penalty specified in paragraph (3) for the period in which the improvement contribution or instalment or part thereof is in arrears”; and

(b) replace paragraph (3) with —

“(3) The penalty mentioned in paragraph (2) is a sum that is calculated at a rate of 4.5%-point above the 3-month compounded SORA for the period in which the improvement contribution or instalment or part thereof is in arrears.”.

Amendment of rule 4

4. In the principal Rules, in rule 4(2), replace sub-paragraph (b) with —

“(b) where he is the lessee or owner of a commercial property (irrespective of citizenship), 4.5%-point above the 3-month compounded SORA for the period in which the improvement contribution or part thereof is in arrears.”.

Made on 16 October 2023.

OW FOONG PHENG
Permanent Secretary,
Ministry of National Development,
Singapore.

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(To be presented to Parliament under section 31(6) of the Housing and Development Act 1959).