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No. S 795

PROPERTY TAX ACT (CHAPTER 254)

PROPERTY TAX (VALUATION BY GROSS RECEIPTS FOR HOTEL PREMISES) (AMENDMENT) ORDER 2017

In exercise of the powers conferred by section 7 of the Property Tax Act, the Minister for Finance makes the following Order:

Citation and commencement

1. This Order is the Property Tax (Valuation by Gross Receipts for Hotel Premises) (Amendment) Order 2017 and comes into operation on 1 January 2018.

Amendment of paragraph 2

2. Paragraph 2 of the Property Tax (Valuation by Gross Receipts for Hotel Premises) Order 2007 (G.N. No. S 742/2007) (called in this Order the principal Order) is amended —

(a) by deleting the definition of “gross receipts” and substituting the following definition:

“ “gross receipts” means —

(a) in relation to a hotel room, gross receipts from the hotel room, including receipts from the rental of any bed in the hotel room; or

(b) in relation to a hotel food establishment or a hotel function room, gross receipts from the hotel food establishment or hotel function room,

after deducting the amount of any cess levied in respect of the receipts under any order made under section 5 of the Singapore Tourism (Cess Collection) Act (Cap. 305C);”;

(b) by inserting, immediately after the definition of “hotel”, the following definitions:

““hotel food establishment” means premises any part of which is situated in a hotel, that are used for the sale or for the preparation for sale of food and drink (including liquor) or either food or drink (including liquor), and for this purpose food and drink means any food and drink intended for human consumption, whether or not cooked;

“hotel function room” means any hall, ballroom or function room situated in a hotel that is used or intended to be used for holding a meeting, conference, seminar, course or an exhibition or for the purpose of serving meals;”.

Amendment of paragraph 3

3. Paragraph 3 of the principal Order is amended —

(a) by inserting, immediately after the word “occupation” in sub-paragraphs (2) and (3), the words “by guests of the hotel”; and

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- (b) by deleting the paragraph heading and substituting the following paragraph heading:

“Assessment of annual value of hotel room”.

New paragraphs 3A and 3B

4. The principal Order is amended by inserting, immediately after paragraph 3, the following paragraphs:

“Assessment of annual value of hotel food establishment

3A. Subject to the provisions of this Order, the annual value of a hotel food establishment for any calendar year is —

- (a) if the hotel food establishment commences or resumes operation in that year, 10% of the annual equivalent of the total gross receipts from the hotel food establishment in that year; or
- (b) in any other case, 10% of the total gross receipts from the hotel food establishment in the preceding calendar year.

Assessment of annual value of hotel function room

3B. Subject to the provisions of this Order, the annual value of a hotel function room for any calendar year is —

- (a) if the hotel function room is first used as such in that year or such use is resumed or resumes in that year, 10% of the annual equivalent of the total gross receipts from the hotel function room in that year; or
- (b) in any other case, 10% of the total gross receipts from the hotel function room in the preceding calendar year.”.

Deletion and substitution of paragraph 4

5. Paragraph 4 of the principal Order is deleted and the following paragraph substituted therefor:

“Assessment for period of less than one year

4. For the purpose of an assessment under paragraph 3(1)(b) or (3), 3A(b) or 3B(b), if the total gross receipts from a hotel room, a hotel food establishment or a hotel function room is for a period of less than a calendar year, the annual value of the hotel room, hotel food establishment or hotel function room (as the case may be) is to be based on the annual equivalent of the total gross receipts in that period.”.

Amendment of paragraph 5

6. Paragraph 5 of the principal Order is amended —

- (a) by deleting the words “hotel rooms in a hotel is to be assessed for any calendar year under this Order, its owner” and substituting the words “a hotel room in a hotel, a hotel food establishment or a hotel function room is to be assessed for any calendar year under this Order, the owner of the hotel concerned”; and
- (b) by deleting the words “annual value of those rooms” and substituting the words “annual value of the hotel room, hotel food establishment or hotel function room”.

Amendment of paragraph 6

7. Paragraph 6 of the principal Order is amended —

- (a) by inserting, immediately after the word “from” in sub-paragraph (e), the words “(and including)”; and
- (b) by renumbering the paragraph as sub-paragraph (1) of that paragraph, and by inserting immediately thereafter the following sub-paragraph:

“(2) The annual value of a hotel food establishment or hotel function room shall not be assessed under this Order —

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- (a) if the statement required under paragraph 5 for it has not been furnished in accordance with that paragraph;
 - (b) if it has been leased or licensed by its owner to another and the Chief Assessor is satisfied that the owner is unable to procure from the lessee or licensee information required to furnish the statement under paragraph 5;
 - (c) if the Chief Assessor is satisfied that the statement furnished under paragraph 5 for it is false;
 - (d) if, in the opinion of the Chief Assessor, the total gross receipts shown in the statement furnished under paragraph 5 in relation to it does not fairly reflect the total gross receipts of a comparable hotel food establishment or hotel function room;
 - (e) if it has no receipt in both the calendar year for which its annual value is assessed and the preceding calendar year; or
 - (f) from (and including) the date the hotel concerned ceases operation.”.

[G.N. Nos. S 696/2008; S 810/2010]

Made on 27 December 2017.

YONG YING-I
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Ministry of Finance,
Singapore.*

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