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PROPERTY TAX ACT
(CHAPTER 254)

PROPERTY TAX (RESIDENTIAL PREMISES UNDER
CONSTRUCTION) (REMISSION) ORDER 1997

ARRANGEMENT OF PARAGRAPHS

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In exercise of the powers conferred by section 6 (5B) of the Property Tax Act, the Minister for Finance hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Property Tax (Residential Premises under Construction) (Remission) Order 1997 and shall be deemed to have come into operation on 11th July 1997.

Definitions

2. In this Order —

“Building Authority” has the same meaning as in the Building Control Act (Cap. 29);

“CSC” means the certificate of statutory completion issued by the Building Authority under section 20 of the Building Control Act and where more than one CSC is issued in respect of a building, means the first CSC so issued;

“owner-occupied”, in relation to a dwelling-house, means a dwelling-house occupied for residential purposes by the person, not being a company or association or a body of persons, whose name appears in the Valuation List as the owner of the dwelling-house;

“replacement dwelling-house” means the new dwelling-house that is erected on any land where a dwelling-house was previously erected before its demolition for purposes of the new dwelling-house;

“TOP” means the temporary occupation permit in respect of a building issued by the Building Authority under section 20 of the Building Control Act (Cap. 29) and where more than one TOP is issued in respect of a building, means the first TOP so issued.

Remission of tax on vacant land

3. Subject to the provisions of this Order, where the tax payable in respect of any vacant land is assessed in accordance with section 2 (3) of the Act and the land was made vacant by the demolition of any dwelling-house for the purposes of reconstruction of any replacement dwelling-house, there shall be remitted an amount of tax in accordance with the formula,

$$\frac{A}{B} - C,$$

where A is the tax payable on the vacant land;

B is the number of replacement dwelling-houses; and

C is the tax payable on the demolished dwelling-house previously erected on the land and calculated at the owner-occupied tax rate as prescribed in paragraph 3 (1) of the Property Tax (Rate for Owner-Occupied Residential Premises) Order (O 10).

Conditions for remission of tax

4. The remission of tax under paragraph 3 in respect of any land shall be granted for the period specified in paragraph 5 if, during the period of remission —

- (a) the land is not occupied;
- (b) no rent or fee is charged or received for the occupation or use of the land or any part thereof; and
- (c) the owner of the demolished dwelling-house previously erected on the land is not granted an owner-occupied tax rate in accordance with the Property Tax (Rate for Owner-Occupied Residential Premises) Order (O 10) on any other property,

and for at least a period of one year following the date of issue of the TOP or CSC of the replacement dwelling-house, whichever is the earlier, the replacement dwelling-house would be and is owner-occupied by the owner of the demolished dwelling-house erected on the land.

Period of remission of tax

5.—(1) The remission of tax under paragraph 3 in respect of any land shall be for a period of not more than 2 years from the date of vacation of the dwelling-house previously erected on the land or the date of submission of building plans to the Building Authority, whichever is the later, to the date of issue of the TOP or CSC of the replacement dwelling-house, whichever is the earlier.

(2) No remission of tax under paragraph 3 shall be granted in respect of any land for any period before 11th July 1997.

Application for remission of tax

6.—(1) Any owner of a demolished dwelling-house previously erected on any land who is eligible for the remission of tax under this Order may apply to the Comptroller not later than 30 days of the date of issue of the TOP or CSC of the replacement dwelling-house, whichever is the earlier, in such form as the Comptroller may determine.

(2) In applying for the remission of tax in respect of any land, an owner of the demolished dwelling-house previously erected on the land shall give a written undertaking to the Comptroller that he would owner-occupy the replacement dwelling-house for at least one year from the date of issue of the TOP or CSC of the replacement dwelling-house, whichever is the earlier.

Revocation of remission of tax

7. The remission of tax under paragraph 3 in respect of any land shall not be granted, or if granted shall be revoked, if the provisions of this Order are not complied with.

Repayment of tax remitted

8.—(1) Where the conditions in paragraph 4 are not satisfied and the remission of tax in respect of any land is revoked, the owner of the demolished dwelling-house previously erected on the land shall be liable to repay the amount of tax remitted under paragraph 3 without demand, and the Comptroller may, in his discretion, add thereto a sum not exceeding 5% of that amount of tax liable to be repaid.

(2) The amounts under sub-paragraph (1) shall be payable and recoverable in the same manner in which taxes are payable and recoverable under the Act.

Made this 2nd day of September 1997.

NGIAM TONG DOW
*Permanent Secretary,
Ministry of Finance,
Singapore.*