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STAMP DUTIES ACT (CHAPTER 312)

STAMP DUTIES (CONVEYANCE DIRECTIONS) (REMISSION) RULES 2015

ARRANGEMENT OF RULES

Rule

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In exercise of the powers conferred by section 74 of the Stamp Duties Act, the Minister for Finance makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Stamp Duties (Conveyance Directions) (Remission) Rules 2015 and come into operation on 21 December 2015.

Definitions

2.—(1) In these Rules, unless the context otherwise requires —

“additional buyer’s stamp duty” or “ABSD” means the duty referred to in paragraph (bf), (bh) or (bi) of Article 3 of the First Schedule to the Act;

[S 949/2021 wef 16/12/2021]

[S 245/2023 wef 27/04/2023]

“company” has the same meaning as in the Companies Act (Cap. 50).

(2) In these Rules —

- (a) a reference to the amount of unremitted ABSD chargeable on an instrument is a reference to the amount of ABSD that remains chargeable on that instrument after the application of any Rules made under section 74 of the Act besides these Rules; and
- (b) a reference to the amount of unremitted ABSD that would have been chargeable on an instrument in specified circumstances is a reference to the amount of ABSD that would have been chargeable on that instrument in those circumstances after deducting any amount that would have been remitted in those circumstances under any Rules made under section 74 of the Act besides these Rules.

Remission only of duty not remitted by operation of other Rules

3. Where any duty that is chargeable under section 22(4) or 22A of the Act on any conveyance direction may be remitted under these Rules and any other Rules made under section 74 of the Act, these Rules apply only to such part of the duty that remains unremitted under those other Rules (called in these Rules the unremitted duty).

Remission of duty on conveyance direction in favour of company

4.—(1) Where —

- (a) a person (called in this rule the vendor) enters into a contract or agreement (called in this rule the contract) to transfer any immovable property to another person (called in this rule the initial purchaser);
- (b) the initial purchaser, before having obtained a conveyance of the immovable property, by direction in writing (called in this rule the conveyance direction), directs the vendor to convey or transfer that immovable property to a company

which is or is to be incorporated by the initial purchaser (called in this rule the ultimate purchaser); and

- (c) the Commissioner is satisfied that —
- (i) the initial purchaser entered into the contract with the intention that the property be transferred to the ultimate purchaser;
 - (ii) no consideration is paid or agreed to be paid between the initial purchaser and the ultimate purchaser with regard to that property;
 - (iii) duty had been duly paid upon the contract;
 - (iv) the conveyance direction is made not more than 2 months after the date of the contract; and
 - (v) the initial purchaser has and retains a controlling interest in the ultimate purchaser for the entire duration of the relevant period reckoned in accordance with paragraph (5),

there is to be remitted any unremitted duty chargeable on the conveyance direction under sections 22(4) and 22A of the Act, up to the limits specified in paragraphs (2) and (3).

(2) The amount of ABSD remitted under this rule cannot be more than the amount of any unremitted ABSD that is chargeable on the contract to which the conveyance direction relates, and paid.

(3) No ABSD may be remitted under this rule if the purpose or one of the purposes for which the ultimate purchaser is or is to be incorporated is a housing development on the immovable property by the ultimate purchaser.

(4) Paragraph (3) is without prejudice to —

- (a) rule 3 of the Stamp Duties (Housing Developers) (Remission of ABSD) Rules 2013 (G.N. No. S 362/2013); and
- (b) rule 3 of the Stamp Duties (Non-Licensed Housing Developers) (Remission of ABSD) Rules 2015 (G.N. No. S 764/2015).

(5) For the purposes of paragraph (1)(c)(v), the relevant period is to be reckoned as follows:

- (a) if, on the date of the contract, there is a development on the immovable property that has yet to be completed, or there is to be a development by the ultimate purchaser on the immovable property that has yet to commence, the relevant period starts on the material date and ends on —
 - (i) the date of issue of the Temporary Occupation Permit for the building that is the subject of the development; or
 - (ii) if more than one Temporary Occupation Permit is to be issued for the building or buildings that is or are the subject of the development, or the parts of the building or buildings, the date of issue of the last of those Temporary Occupation Permits;
- (b) in any other case, the relevant period starts on the material date and ends on the date of the transfer of the immovable property to the ultimate purchaser because of that conveyance direction.

Example

Owners of residential properties enter into an agreement for a common sale of their properties to *A*. *A*, before having obtained a conveyance of those properties, by direction in writing directs those owners to convey those properties to a company *B*. *B* is incorporated by *A* for the purpose of a housing development by *B* on the land occupied by those properties, the details of which (including the development's commencement date) have not been determined as of the date of the agreement. The relevant period for the purposes of rule 4(1)(c)(v) is that specified in rule 4(5)(a).

- (6) In this rule, unless the context otherwise requires —
- “controlling interest”, in relation to the ultimate purchaser, means —
- (a) a beneficial interest in more than 50% of the shares in the ultimate purchaser; and
 - (b) holding more than 50% of the votes attached to the voting shares in the ultimate purchaser;

“development” means the construction of a building, including any building operations in, on, over or under the land for the purpose of erecting such building, and includes housing development;

“housing accommodation” includes a building or tenement wholly or principally constructed, adapted or intended for human habitation, or for human habitation and as business premises;

“housing development” means the construction of any number of units of housing accommodation, including any building operations in, on, over or under the land for the purpose of erecting such housing accommodation, and the sale of land which would be appurtenant to such housing accommodation;

“material date” means either of the following dates, whichever is the later:

(a) the date of the contract;

(b) the date of incorporation of the ultimate purchaser;

“Temporary Occupation Permit”, in relation to a building or part of a building, includes the Certificate of Statutory Completion for the building or part (or a building that includes the part), but only if no Temporary Occupation Permit is issued for the building or part under the Building Control Act (Cap. 29).

Remission of duty on conveyance direction in favour of relatives

5.—(1) Where —

(a) a person (called in this rule the vendor) enters into a contract or agreement (called in this rule the contract) to transfer any immovable property to another person (called in this rule the initial purchaser);

(b) the initial purchaser, before having obtained a conveyance of the immovable property, by direction in writing (called in this rule the conveyance direction), directs the vendor —

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- (i) to convey or transfer that immovable property or any part of or share in that property to any person who is not a party to that contract (called in this rule the ultimate purchaser); or
 - (ii) to convey or transfer the property to the initial purchaser (being more than one person) in shares other than as specified in the contract;
- (c) either —
- (i) in the case of sub-paragraph (b)(i), the initial purchaser or, if the initial purchaser comprises more than one person, the initial purchasers (excluding one whose share in the property as specified in the contract, and in the conveyance direction, is the same), is or are related to the ultimate purchaser; or
 - (ii) in the case of sub-paragraph (b)(ii), the initial purchasers (excluding one whose share in the property as specified in the contract, and in the conveyance direction, is the same) are related to each other; and
- (d) the Commissioner is satisfied that —
- (i) no consideration with regard to that property is paid or agreed to be paid —
 - (A) in the case of sub-paragraph (b)(i), between the initial purchaser and the ultimate purchaser; or
 - (B) in the case of sub-paragraph (b)(ii), between the initial purchasers;
 - (ii) duty had been duly paid upon the contract;
 - (iii) in the case of sub-paragraph (b)(i), either —
 - (A) the initial purchaser; or
 - (B) if the initial purchaser comprises more than one person, at least one of them,

is also named in the conveyance direction as an ultimate purchaser; and

- (iv) the conveyance direction is made not more than 2 months after the date of the contract,

there is to be remitted any unremitted duty chargeable on the conveyance direction under sections 22(4) and 22A of the Act, up to the limits specified in paragraphs (2) and (3).

(2) In the case of paragraph (1)(b)(i), the amount of ABSD remitted under this rule cannot be more than the amount derived by the following formula:

$$(X + Y) - Z,$$

where X is the amount of any unremitted ABSD chargeable on the contract to which the conveyance direction relates, and paid;

Y is the amount of unremitted ABSD that (but for the operation of this rule) would have been chargeable on the conveyance direction; and

Z is the amount of unremitted ABSD that would have been chargeable on the contract if all the ultimate purchasers named in the conveyance direction were purchasers under the contract.

(3) If the amount derived by the formula under paragraph (2) is zero or negative, then there is to be no remission under this rule of any ABSD chargeable on the conveyance direction in the case of paragraph (1)(b)(i).

(4) In paragraph (1)(c), a person is related to another if he or she is the spouse, a parent, a child, or a sibling of the other.

(5) In paragraph (4), “child”, in relation to a person, means a legitimate child or stepchild of the person or a child adopted by the person in accordance with any written law relating to adoption.

Revocation

6. The Stamp Duties (Conveyance Directions) (Remission) Rules 2005 (G.N. No. S 446/2005) are revoked.

Made on 14 December 2015.

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(Finance) (Performance),
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