

Frequently Asked Questions

New 40% Property Tax Rebate for Commercial and Industrial Properties – Budget 2009

Q1: What is the new Property Tax Rebate for Commercial and Industrial properties announced in Budget 2009?

A1: A property tax rebate of 40% on the property tax payable will be granted to Commercial and Industrial properties for calendar year 2009. Tax payable is calculated at 10% of the Annual Value for the year 2009.

Q2: What type(s) of Commercial and Industrial properties are eligible for the rebate?

A2: The following are eligible:

- Retail shops / shophouses
- Offices
- Factories
- Farms
- Recreational facilities eg Cinemas / Bowling Alleys
- Hotels

If in doubt, please contact us at 1800 356 8600.

Q3: Will Serviced Apartments be eligible for the rebate?

A3: No.

Q4: How much tax savings can I get after the 40% Property Tax Rebate is given?

A4: The example below illustrate the total tax savings an eligible owner will enjoy after taking into account the 40% Property Tax Rebate.

This new 40% Property Tax Rebate is deducted from the property tax payable for the calendar year 2009.

Example

The annual value of a commercial property is \$90,000. The property tax payable from 1 Jan 2009 to 31 Dec 2009 will be \$5,400 with **tax savings of \$3,600**. See computation:

Property Tax Payable before rebate = \$9,000 [10% x \$90,000]

Less: 40% Property Tax Rebate = \$3,600 [40% x \$9,000]

Tax Payable after rebate = \$5,400

Tax Savings = **\$3,600**

- Q5: How do I apply for the 40% Property Tax Rebate?
- A5: Owners do not need to apply for the 40% Property Tax Rebate. IRAS will notify owners in all eligible cases.
- Q6: When will IRAS notify owners?
- A6: Notifications will be sent from 1st April 2009 and all eligible owners will be notified by 31st Jul 2009.
- Q7: How will my tax be adjusted if I am paying via GIRO monthly instalments?
- A7: Owners who currently pay by GIRO will receive their revised property tax computation with the revised GIRO instalment plans showing the revised monthly payments from April 2009.
- Q8: What is the threshold for auto-refund through cheques to taxpayers?
- A8: IRAS will auto-refund if the tax credits are more than or equal to \$15. For your convenience, credits of less than \$15 will be carried forward to offset your future tax liability. However, if you wish to have your credit refunded, please email to refund@iras.gov.sg with the following information.
- State your request for the refund;
 - Your Full Name/ Company's Name/ Property Address;
 - Tax Reference number (e.g. NRIC/ FIN/ UEN/ Property Tax reference);
 - Amount of credit balance due;
 - Contact number;
 - Email address (if any);
- Q9: If I am currently paying via a one-time GIRO installment (i.e. one installment GIRO plan), will the full amount of Property tax for 2009 be deducted in February or will the deduction take into account the new 40% rebate given?
- A9: Owners who are paying via a one-time GIRO instalment will have their deductions rescheduled. IRAS will notify owners on their revised property tax and the new GIRO deduction date from April 2009.
- Q10: I have already paid up the whole year tax, when will I receive the refund?
- A10: From April 2009 onwards, Eligible owners who paid property taxes for the whole year will receive their revised property tax bills first, followed shortly by the refund cheques. All eligible owners will be notified by 31st Jul 2009.
- Q11: I have not paid up my property tax for 2009. Since there will be an additional 40% rebate for 2009 Property Tax, can I only pay the amount after deducting this 40% Property Tax Rebate?

A11: Owners who have not paid their 2009 property tax may proceed to pay the reduced property tax after taking into account the 40% property tax rebate. For enquiries, owners may email to ptostax@iras.gov.sg or call us on 1800 356 8600.

Q12: I sold my property before 22nd Jan 2009, will IRAS refund me the additional tax that I had paid for the period 1st Jan 2009 to 21st Jan 2009?

A12: No, owners who owned the property before 22 January 2009 will not be eligible for the new 40% rebate.

Q13: I have paid up my property tax for 2009 and will be selling my property after 22nd Jan 2009. Will IRAS refund me the additional tax after I sold my property?

A13: IRAS will issue the refund to the person who owns the property at the time of refund and will not apportion refunds between the previous owner and the prevailing owner. The seller is advised to make arrangements with the buyer if he wishes to claim from the buyer a proportionate share of refund of the property tax rebate that relates to the seller's period of ownership.

This shall be a private arrangement between sellers and buyers. You may consult your conveyancing lawyer if in doubt.

Q14: I received a Valuation Notice from IRAS to inform me on a new AV and tax payable. Will I be receiving another notification on the 40% Property Tax Rebate?

A14: If the 40% Property Tax Rebate has already been reflected in your valuation notice, IRAS will not inform you with a separate notice. However, if the 40% Property Tax Rebate has not been reflected in your valuation notice, IRAS will be informing you separately on the 40% Property Tax Rebate from April 2009.

Q15: How do I gauge the total property tax amount for 2009, considering the AV for my property may be adjusted?

A15: If the AV of your property is adjusted in the course of the year, we will send you a Valuation Notice to inform the new AV, the new AV effective date, the revised tax computation and the new total property tax payable for 2009.