

IRAS CIRCULAR

**Property Tax Deferment for
Increase in Fixed Percentage Rate to Derive
Hotel Room Annual Value
(Budget 2009)**



INLAND REVENUE
AUTHORITY
OF SINGAPORE

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Circular on Deferring Increase in Fixed Percentage Rate to Derive Hotel Room Annual Value for Property Tax (Budget 2009)

1 Budget 2009: Fixed Percentage Rate to Derive Hotel Room Annual Value Remains at 20% for 2009

Annual values of hotel rooms are assessed on a fixed percentage of gross room receipts. The fixed percentage on gross room receipts was to be phased in from 20% to 25% from 1 Jan 2009.

However, in the light of the global economic downturn and weakened property sector, the Government has decided to defer the increase in fixed percentage for one year till year 2010.

Therefore, the rate for computing the annual value of hotel rooms for the year 2009 will remain at 20% of gross room receipts.

2 Contact Information

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Related information on assessment of hotels can be found in the Revised Edition of the e-Tax Guide for Hotel Owners and Operators which will be posted on our website at <http://www.iras.gov.sg> (Quick Links/e-Tax Guides, Property Tax) in Jan 2009.