

IRAS CIRCULAR

WITHDRAWAL OF DEFERMENT CONCESSION AND PRESCRIBED FORM FOR TRANSITIONAL MEASURE



INLAND REVENUE
AUTHORITY
OF SINGAPORE

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15 December 2006

To The Law Society of Singapore
Real Estate Developers' Association of Singapore
Singapore Institute of Surveyors and Valuers
Institute of Estate Agents

WITHDRAWAL OF CONCESSION ON DEFERMENT OF PAYMENT OF STAMP DUTY ON AGREEMENTS FOR PURCHASE OF PROPERTIES

The deferment of payment of stamp duty on agreements for purchase of properties was one of the off-budget measures announced by the Minister of Finance in 1998. This concession was introduced to help the property market cope with the impact of economic slowdown. The concession allowed property buyers to defer the payment of stamp duty till completion of sale of completed properties or the date of Temporary Occupation Permit (TOP) in the case of newly constructed properties.

The Government has decided to remove the deferment concession with immediate effect from 15 December 2006 as economic conditions and the property market have improved. Henceforth, the purchaser of a property is required to pay stamp duty **within 14 days** after the date of the Sale and Purchase Agreement or the date of acceptance of the Option to Purchase. Failure to stamp these instruments within the stipulated time will attract penalty of up to 4 times the stamp duty due on the document.

As a transitional measure purchasers who have accepted the Option to Purchase / signed the Sale & Purchase Agreement between 15 December 2006 and 31 December 2006, have up till 14 March 2007 to pay the stamp duty without incurring any penalty for late stamping. To qualify for the transitional measure, the purchaser or his representative has to submit the prescribed form (see Annex 2) and a copy of the sale document to Commissioner of Stamp Duties within 14 days from the date of document.

We expect to process the form within 2 weeks from date of receipt. A letter would be sent to e-Stamping subscribers to inform them of the document reference number for them to pay the stamp duty via the e-Stamping system. For non-subscribers, they would receive a payment voucher together with the notification letter for them to make payment. Payment can be made by 14 March 2007 without incurring any penalty.

Purchasers who have exercised their options before 15 December 2006 are not affected by the new rule. They would continue to enjoy the stamp duty deferment concession.

Annex 1 is a table illustrating the timing of payment of stamp duty.

Annex 2 is the prescribed form for the transitional measure.

If you need any clarification, please refer to our website at www.iras.gov.sg or call us on 6351 3697 / 6351 3698.

WANG TECK LENG
DEPUTY DIRECTOR
VALUATION & STAMP DUTY
for COMMISSIONER OF STAMP DUTIES

cc. HDB
JTC
SLA
URA

ANNEX 1 - Timing Of Payment Of Stamp Duty Before And After Cessation Of Deferral Concession

Types of property	Offer accepted/exercised before 15 Dec 2006	Offer accepted/exercised between 15 Dec 2006 and 31 Dec 2006	Offer accepted/exercised on or after 1 Jan 2007
Completed properties (those for which TOPs have been issued)/ vacant land/ resale of HDB flats/ resale of JTC leasehold interests	Within 14 days after the date of Transfer, or 14 days after the date the buyer subsequently contracts to sell the property, whichever is earlier.	<p>Payment of stamp duty may be deferred till 14.3.2007, or 14 days after the buyer subsequently contracts to sell the property, whichever date is earlier.</p> <p>To qualify for this transitional measure, buyer must lodge with the Commissioner of Stamp Duties the completed form and a copy of the document within 14 days from the date of acceptance of Option to Purchase.</p>	Within 14 days after the date of contract for purchase
Properties under construction (TOPs have not been issued)	Within 14 days after the date of Temporary Occupation Permit, or 14 days after the date the buyer subsequently contracts to sell the property, whichever is earlier.		Within 14 days after the date of contract for purchase
Land/ properties sold or leased by SLA/ HDB/ JTC	Within 14 days after the date of Building Agreement/ Agreement For Lease/ Transfer/ Lease (whichever applies), or 14 days after the date the buyer subsequently contracts to sell the property, whichever is earlier.		Within 14 days after the date of acceptance of letter of offer
Land sold by HDB/URA by tender	Within 14 days after the date of Building Agreement, or 14 days after the date the buyer subsequently contracts to sell the property, whichever is earlier.		Within 14 days after the date of award of tender

Please note

The qualifying criteria for transitional measure are:

- 1) offer must be exercised/ accepted/ executed between 15 December to 31 December 2006, and
- 2) lodge with the Commissioner of Stamp Duties the completed form and a copy of the document within 14 days from the date of acceptance.

SECTION D: PARTICULARS OF VENDOR/TRANSFEROR/ASSIGNOR/LANDLORD/LESSOR #

Name

Identity Type: NRIC FIN PASSPORT ROC ROB OTHERS

Identity No.

Name

Identity Type: NRIC FIN PASSPORT ROC ROB OTHERS

Identity No.

SECTION E: PARTICULARS OF PURCHASER/TRANSFeree/ASSIGNEE/TENANT/LESSEE #

Name

Identity Type: NRIC FIN PASSPORT ROC ROB OTHERS

Identity No.

Address: Block/House No.

Street Name

Storey -Unit No. - Postal Code

Name

Identity Type: NRIC FIN PASSPORT ROC ROB OTHERS

Identity No.

Address: Block/House No.

Street Name

Storey -Unit No. - Postal Code

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