

Share Duty (Stamp Duty for Share Transfers)

Frequently asked Questions relating to Share duty	Answer						
1. Where do I e-Stamp for share duty?	You can e-Stamp your document via e-Stamping Portal : <ol style="list-style-type: none"> 1. Login with SingPass or CorpPass ID 2. Select "Stamping" 3. Select "Share Transfer" 						
4. What is share duty?	Share duty is payable on the share transfer document when you acquire shares. It is payable on the actual price or market value of shares, whichever is the higher amount.						
5. What is the rate for share duty?	The share duty rate is 0.2%.						
6. Do I have to pay share duty on scripless shares?	Where there is no document executed for the transfer of scripless shares, share duty is not payable.						
7. Is there stamp duty relief for shares?	For stamp duty relief for shares, please click here .						
8. When do I e-Stamp for share duty?	You are required to e-Stamp a document* before you sign it. However, if you have signed a document and e-Stamped it within the following time frame, no penalty will be charged: <ol style="list-style-type: none"> 1. Within 14 days after signing the document if it is signed in Singapore or 2. Within 30 days after receiving* the document in Singapore if the document is signed overseas <p>*For electronic documents, they are treated as received in Singapore in any of the following scenarios: a. the electronic document is retrieved or accessed by a person in Singapore; or b. the electronic document is stored on a device (including a computer) and brought into Singapore; or c. the electronic document is stored on a computer in Singapore.</p>						
9. Who should pay share duty?	The party who is liable to pay share duty is usually stated in the agreements. When the terms of the document do not state who is liable to pay share duty, the party to pay share duty will follow that as specified in the Third Schedule of the Stamp Duties Act. <table border="1" data-bbox="678 1556 1412 1680"> <thead> <tr> <th>Type of Transaction</th> <th>Party to Pay Share Duty</th> </tr> </thead> <tbody> <tr> <td>Buying or Acquiring Shares</td> <td>Buyer or Transferee</td> </tr> <tr> <td>Mortgaging Shares</td> <td>Mortgagor</td> </tr> </tbody> </table>	Type of Transaction	Party to Pay Share Duty	Buying or Acquiring Shares	Buyer or Transferee	Mortgaging Shares	Mortgagor
Type of Transaction	Party to Pay Share Duty						
Buying or Acquiring Shares	Buyer or Transferee						
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a. If the management accounts are not out yet, which document do we use for e-Stamping?	If the latest management accounts are not available yet, you can use your company's last audited account to perform e-Stamping for share transfer.						
10. How do I e-Stamp a share transfer document where there is no consideration?	When the consideration is nil, it is deemed as a gift. You can e-Stamp the gift transfer in the e-Stamping Portal under "Transfer of Immovable Property/ Land/ Stocks and Shares by Way of Gift".						
11. How do I compute the market value of shares?	For share duty purpose, the market value of shares may be computed as follows:						

	<ol style="list-style-type: none"> 1. For transfer of shares listed on the Stock Exchange of Singapore: <ul style="list-style-type: none"> • The value of the shares transferred is taken to be the average price on the Stock Exchange of Singapore as at the date of the document • When there is no available average price as at the date of the document, the latest average price of the shares can be used 2. For transfer of shares in private companies: <ul style="list-style-type: none"> • The net asset value (NAV) of the target company • Latest statement of accounts of the target company, of not more than 24 months from the date of the transfer document, will be accepted to compute the NAV • If the target company owns any immovable property, the book value (reflected in the accounts) may be used to arrive at the NAV provided that the book value is reflective of the market value of the immovable property as at the date of document 3. For transfer of shares of a newly incorporated company (incorporated for less than 18 months from the transfer date): <ul style="list-style-type: none"> • The allotment price if the newly incorporated company does not own any immovable property; • If the newly incorporated company owns any immovable property, the management account has to be prepared to determine the NAV of the shares. The NAV should reflect the market value of the immovable property as at date of share document. This must be certified by the director or secretary of the company 4. For transfer of shares involving preference share: <ul style="list-style-type: none"> • Where there are different classes of shares (e.g.: preference shares in the target company), the Net Asset Value of Preference Shares will depend on the rights attached to the respective class of share of the preference shareholders upon winding up of the company
<p>12. Is an allotment of shares liable to share duty?</p>	<p>No. Share duty is payable only when an instrument of share transfer is executed to transfer shares between shareholders.</p> <p>However, if the target company is a property holding entity, the allotment of shares may be subject to Additional Conveyance Duties (ACD).</p>
<p>13. If I transfer shares in a foreign company, is my document subject to share duty in Singapore?</p>	<p>Transfer of shares by way of sale or gift in foreign companies not registered in Singapore is generally exempted from Share duty unless these foreign companies maintain a stock register kept in Singapore.</p>
<p>14. Will share duty be payable on any updates to a Singapore foreign branch's Register of Members (as statutorily required by the 2017 companies act amendments)?</p>	<p>No. Share duty is not payable if a registered foreign company first sets up a public register of legal shareholders in Singapore pursuant to the Companies Act amendments by replicating the information already held in a foreign jurisdiction since no share transfers are involved.</p>