

## Lease Duty (Stamp Duty for Leases)

Frequently asked Questions relating to Leases	Answer
1. Where do I e-Stamp for Lease/ Tenancy?	<p>You can e-Stamp your document via <a href="#">e-Stamping Portal</a>:</p> <ol style="list-style-type: none"> <li>1. Login with SingPass or CorpPass ID</li> <li>2. Select “Stamping”</li> <li>3. Select any of the following that best describes your document: <ul style="list-style-type: none"> <li>• “Lease/ Tenancy Agreement”</li> <li>• “Variation of Lease”</li> <li>• “Surrender of Lease”</li> <li>• “Novation/ Assignment of Lease between Tenants”</li> <li>• “Assignment of Lease between Owners”</li> </ul> </li> </ol>
2. What are the examples of dutiable lease documents?	<p>Examples of dutiable lease documents include:</p> <ol style="list-style-type: none"> <li>1. Tenancy Agreement</li> <li>2. Renewal or Extension of Lease Agreement (considered as new lease for stamp duty purposes)</li> <li>3. Agreement for renting or subletting of the entire property or part of a property such as a room in an HDB flat</li> <li>4. Agreement for Variation of Lease</li> <li>5. Supplemental Lease / Agreement</li> <li>6. Acceptance to the Letter of Offer to Lease</li> <li>7. Any executed agreement pertaining to any property leasing transaction</li> </ol> <p>Use the e-Stamping module “Lease/ Tenancy” to e-Stamp dutiable lease documents.</p>
3. What is stamp duty for leases?	<p>Stamp duty on leases is payable based on the actual rent amount or the market rent, whichever is higher, at the lease duty rates.</p>
4. Who should pay stamp duty for Lease / Tenancy Agreement?	<p>The party who is liable to pay stamp duty is usually stated in the agreement. Where it is not stated in the agreement who is liable to pay stamp duty, the Tenant shall be the party liable for stamp duty.</p>
5. How do I calculate my stamp duty for Lease / Tenancy Agreement?	<p>Lease duty is calculated by applying the rate for leases (0.4%) on the Average Annual Rent (AAR), based on the higher of actual or market rent.</p> <p>If the lease period is 4 years or less, computation of stamp duty is 0.4% of total rent for the period of the lease.</p> <p>If the lease period is more than 4 years or any indefinite term, computation of stamp duty is 0.4% of 4 times the AAR for the period of the lease.</p> <p>For more information on lease duty, please click <a href="#">here</a>.</p>
6. How do I calculate the stamp duty for my lease with a staggered rent?	<p>The stamp duty is calculated based on the Average Annual Rent (AAR) for the lease period and applying the Lease Duty rate of 0.4% for lease duty.</p> <p>For easier computation, you can use the online Stamp Duty Calculator by clicking <a href="#">here</a>.</p>

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7. What is Average Annual Rent (AAR)?	<p>AAR refers to the higher of the average annual contractual or annualized market rent and includes other considerations (excluding GST) such as:</p> <ul style="list-style-type: none"> <li>• Advertising and Promotion charge</li> <li>• Furniture / Fittings charge</li> <li>• Maintenance charge</li> <li>• Service charge</li> <li>• Any other charges in connection with the lease</li> </ul>
8. As a tenant, if my monthly rental is below \$1000, do I still have to pay stamp duty?	Stamp duty is exempted if your Average Annual Rent (AAR) is below \$1000.
9. My tenant is liable to pay stamp duty on the tenancy agreement. How do I ensure that the stamp duty is duly paid?	<p>You can ask for a copy of the stamp certificate from your tenant or his agent as proof that stamp duty has been paid.</p> <p>The authenticity of the stamp certificate may be verified via the <a href="#">e-Stamping Portal</a> under “Check Stamp Certificate Authenticity”.</p>
10. What is the rate on a lease with premium?	<p>A lease with premium is one for which there is a lump sum payment.</p> <p>Stamp duty is payable on the premium based on the buyer’s stamp duty rates.</p> <p>If there is a rental amount in addition to the premium, stamp duty is payable on the rental amount based on lease duty rates.</p>
11. What is the stamp duty payable for Variation of Lease?	<p>If there is an increase in rental amount or the lease period is extended, stamp duty is payable on the document based on the increase in rental amount or the rental amount for the extended lease period.</p> <p>When stamping the increase in rental amount or extension of lease period, please use the “Variation of Lease” e-Stamping form and indicate the rental schedule of the entire lease duration under the “Revised Rental Per Month” section of the form. For example, if there is an increase in the monthly rental rates for the last 5 years of a 20-years lease, you should indicate the rental schedule in the following manner:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><b>“Original Rental Per Month”</b> From 1<sup>st</sup> to 20<sup>th</sup> year for the old monthly rental</p> <p><b>“Revised Rental Per Month”</b> From 1<sup>st</sup> to 15<sup>th</sup> year for the old monthly rental, and From 16<sup>th</sup> to 20<sup>th</sup> year for the new monthly rental</p> </div> <p>This is to ensure that the additional stamp duty payable is computed correctly.</p> <p>However, if there is a decrease in rental amount or the lease period is shortened, stamp duty is not payable for the document.</p> <p>Other variations where stamp duty is not payable:</p> <ol style="list-style-type: none"> <li>1. Changing the use of the property with no additional payment</li> <li>2. Lifting the restrictions in the lease with no additional payment</li> </ol>

	3. Amending the terms of the lease that do not affect the rent and lease term such as addition of an option to renew
12. Do I need to stamp a Novation Agreement?	For novation or assignment of a lease between tenants, stamp duty is payable on the consideration paid by the new tenant to the original tenant, at the buyer's stamp duty rates.
13. Do I need to pay stamp duty for a Surrender of Lease?	Stamp duty is payable on the consideration paid by the landlord to the tenant, at the buyer's stamp duty rates.