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ACTS SUPPLEMENT

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The following Act was passed by Parliament on 10 March 2017 and assented to by the President on 20 March 2017:—

REPUBLIC OF SINGAPORE

No. 13 of 2017.

I assent.

TONY TAN KENG YAM,
President.
20 March 2017.



An Act to amend the Stamp Duties Act (Chapter 312 of the 2006 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Stamp Duties (Amendment) Act 2017 and is deemed to have come into operation on 11 March 2017.

Amendment of section 5

2. Section 5 of the Stamp Duties Act (called in this Act the principal Act) is amended —

(a) by inserting, immediately after subsection (1), the following subsection:

“(1A) Where the liability of an instrument to duty or any amount of duty, is determined by facts or circumstances that are not set out in the instrument, those facts or circumstances must be provided to the Commissioner in such form and manner as the Commissioner may specify.”; and

(b) by deleting the word “it” in subsection (2) and substituting the words “the instrument or provided under subsection (1A)”.

Amendment of section 15

3. Section 15 of the principal Act is amended by inserting, immediately after subsection (1), the following subsection:

“(1AA) Subsection (1) does not apply to an instrument that is executed for the purpose of or in connection with the transfer, conveyance or assignment of any equity interest in an entity that is chargeable with any duty under section 23.”.

Amendment of section 15A

4. Section 15A of the principal Act is amended by inserting, immediately after subsection (1), the following subsection:

“(1A) Subsection (1) does not apply to an instrument that is executed for the purpose of or in connection with an acquisition of shares in a company, that is chargeable with any duty under section 23.”.

Amendment of section 22

5. Section 22(1) of the principal Act is amended by deleting the words “and stocks or shares,” in paragraph (b).

New sections 23 to 23D

6. The principal Act is amended by inserting, immediately after section 22B, the following sections:

“Duty on conveyance of equity interests in property-holding entities

23.—(1) This section applies to a conveyance —

- (a) executed whilst this section is in operation;
- (b) of equity interests in an entity; and
- (c) whether or not the conveyance is —
 - (i) on a sale;
 - (ii) by way of gift, release or settlement; or
 - (iii) pursuant to a declaration of trust where the beneficial interest in the equity interests passes.

(2) If —

- (a) the grantee is a significant owner of the entity immediately before the execution of the conveyance, or becomes one upon the execution of the conveyance; and
- (b) the entity is a property-holding entity or PHE at the time of the execution,

then the conveyance is chargeable with ad valorem duty (called duty A in this section, sections 23B and 23C, Article 3A of the First Schedule and Article 2A of the Third Schedule) that is payable by the grantee.

(3) Subject to subsection (4), if —

- (a) the grantor is a significant owner of the entity immediately before the effective date or becomes one on or after the effective date;

- (b) the conveyance is executed at any time on or after the effective date and whether at a time when the grantor is still such significant owner or after the grantor ceases to be one;
- (c) the entity is a PHE at the time of the execution; and
- (d) the equity interests conveyed comprise or include equity interests in the entity specified in subsection (8),

then the conveyance is chargeable with ad valorem duty (called duty B in this section, sections 23B and 23C, Article 3A of the First Schedule and Article 2A of the Third Schedule) that is payable by the grantor.

(4) Subsection (3) does not apply to any conveyance that is executed in the period between the time the grantor (including the grantor's associates) ceases to own any equity interests in the entity and the time the grantor becomes a significant owner of the entity again.

(5) If, at the time of the execution of the conveyance —

- (a) the entity (called in this subsection the target entity) is not a PHE; and
- (b) the grantee beneficially owns equity interests in another entity or entities in circumstances where, had the target entity and the other entity or entities been a single entity —
 - (i) that single entity would have been a Type 2 PHE; and
 - (ii) the grantee would have been a significant owner of that single entity or would have become such significant owner upon the execution of the conveyance,

then the conveyance is chargeable with ad valorem duty (called duty C in this section, sections 23B and 23C, Article 3A of the First Schedule and Article 2A of the Third Schedule) that is payable by the grantee.

(6) Subject to subsection (7), if —

- (a) immediately before the effective date or at any time on or after that date, the grantor beneficially owns equity interests in one or more entities in circumstances where, had those entities been a single entity —
 - (i) the single entity would have been a Type 2 PHE; and
 - (ii) the grantor would have been a significant owner of the single entity;
- (b) the conveyance is executed at any time on or after the effective date and whether at a time when the grantor would still be such significant owner or after the grantor has ceased to be one; and
- (c) the equity interests conveyed comprise or include equity interests in any of those entities and are equity interests specified in subsection (8),

then the conveyance is chargeable with ad valorem duty (called duty D in this section, sections 23B and 23C, Article 3A of the First Schedule and Article 2A of the Third Schedule) that is payable by the grantor.

(7) Subsection (6) does not apply to any conveyance that is executed in the period between —

- (a) the time the grantor (including the grantor's associates) ceases to own any equity interests in any of the entities that comprise the single entity mentioned in that subsection; and
- (b) the time the grantor beneficially owns equity interests in 2 or more of those entities again in circumstances where, had those entities been a single entity, the grantor would have been a significant owner of that single entity.

(8) The equity interests specified for subsections (3)(d) and (6)(c) are those that the grantor acquired —

- (a) on or after the effective date; and