

Central Provident Fund (Amendment) Bill

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Bill No: 26/1998

Read the first time: 1st June 1998

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Expenditure of Public Money

Central Provident Fund (Amendment) Bill

Bill No. 26/1998

Read the first time on 1st June 1998.

An Act to amend the Central Provident Fund Act (Chapter 36 of the 1997 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 may be cited as the Central Provident Fund (Amendment) Act 1998 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 2

2. Section 2 of the Central Provident Fund Act (referred to in this Act as the principal Act) is amended by inserting, immediately after the word “Fund” in the second line of the definition of “member of the Fund” or “member”, the words “and includes a person who contributes to the Fund voluntarily in accordance with section 13B”.

New section 13B

3. The principal Act is amended by inserting, immediately after section 13A, the following section:

“Voluntary contributions

13B.—(1) Notwithstanding anything in this Act but subject to any regulations made under section 77 —

- (a) a person in respect of whom no contribution is required to be paid under this Act or the regulations made thereunder may contribute voluntarily to the Fund in such manner and at such rate as the Minister may direct; and
- (b) the Board shall credit every contribution received under paragraph (a) into an ordinary account, a medisave account or a special account, for the purposes specified in section 13(1), in such manner as the Minister may direct, and the Minister may give different directions in respect of different classes of members.

(2) Every contribution that was received by the Board before the date of commencement of the Central Provident Fund (Amendment) Act 1998 from a person in respect of whom no contribution is required to be made under this Act or the regulations made thereunder shall be deemed to have been validly received, and every ordinary account, medisave account and special account that was maintained by the Board for that person before that date shall be deemed to have been validly maintained.”.

New section 18B

4. The principal Act is amended by inserting, immediately after section 18A, the following section:

“Transfer of member's moneys in ordinary account to special account

18B.—(1) Subject to subsection (2), a member who has less than the prescribed amount standing to his credit in his special account may on or after 1st July 1998 apply to the Board to transfer a sum standing to his credit in his ordinary account, not exceeding the difference between the prescribed amount and the sum standing to his credit in his special account, to his special account.

(2) An application by a member to transfer the sum standing to his credit in his ordinary account to his special account under subsection (1) shall be irrevocable and the transfer shall be subject to such terms and conditions as the Board may determine.

(3) In this section, “prescribed amount” means —

- (a) \$40,000, where no other sum is specified under paragraph (b); or
- (b) where a sum is specified under this paragraph by the Minister for the purposes of this section by notification in the *Gazette*, such sum as may for the time being be so specified.”.

New section 30A

5. The principal Act is amended by inserting, immediately after section 30, the following section:

“Double insurance cover under Scheme prohibited

30A.—(1) No person shall be insured under the Scheme for more than one immovable property at the same time.

(2) Where a member who is insured under the Scheme in respect of any

immovable property purchases another immovable property from a Housing Authority, the member shall, notwithstanding section 35, cease to be covered under the Scheme in respect of the first-mentioned immovable property immediately upon the commencement of cover under the Scheme in respect of the second-mentioned immovable property.

(3) Where a member's cover under the Scheme in respect of any immovable property ceases by virtue of subsection (2), the Board shall refund to the member in cash or by crediting to his ordinary account in the Fund as the Board thinks fit an amount representing the surrender value of his cover under the Scheme in respect of that property as on the date of cessation of cover calculated in accordance with regulations made under this Part as if the member had redeemed the housing loan on the property on that date.

(4) Where a member is insured under the Scheme before the date of commencement of the Central Provident Fund (Amendment) Act 1998 for more than one immovable property at the same time, the member's cover under the Scheme in respect of the earlier of 2 immovable properties purchased by him shall cease on that date and the Board shall refund to the member an amount representing the surrender value of his cover under the Scheme in respect of that property as on that date in the manner provided in subsection (3).”.

Repeal of section 62 and enactment of new sections 62 and 62A

6. Section 62 of the principal Act is repealed and the following sections substituted therefor:

“Notice to attend court

62.—(1) Where an officer of the Board has reasonable ground for believing that a person has committed an offence under this Act or any subsidiary legislation made thereunder, he may, in lieu of applying to a court for a summons, serve upon that person a prescribed notice, requiring that person to attend at the court, at the hour and on the date specified in the notice.

(2) A duplicate of the notice shall be prepared by the officer of the Board and, if so required by the court, produced to the court.

(3) The notice may be served on the person alleged to have committed the offence in the manner provided in section 62A(1).

(4) On an accused person appearing before a court in pursuance of such a notice, the court shall take cognizance of the offence alleged and shall proceed as though he were produced before the court in pursuance of section 136 of the