

Central Provident Fund (Amendment) Bill

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Bill No: 14/1983

Read the first time: 30th August 1983

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Expenditure of Public Money

Central Provident Fund (Amendment) Bill

Bill No. 14/1983

Read the first time on 30th August 1983.

An Act to amend the Central Provident Fund Act (Chapter 121 of the 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 1983 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 —

(a) by inserting, immediately after the definition of “employer”, the following definition:

“ “flat” means a horizontal stratum of any building or part thereof, whether the stratum or part is on one or more levels or is partially or wholly below the surface of the ground;”;

(b) by inserting, immediately after the definition of “inspector”, the following definitions:

“ “interest in land” means any interest in land recognised as such by law, and includes an estate in land;

“land” includes land, freehold or leasehold, or of whatever tenure, whether or not held apart from the surface, and buildings or parts thereof (whether completed or otherwise and whether divided horizontally, vertically or in any other manner), and tenements and hereditaments, corporeal or incorporeal;”;

(c) by inserting, immediately after the definition of “member of the Fund”, the following definition:

“ “residential property” means —

(a) any estate or interest in land comprising a house or flat which is constructed or to be constructed on land and is permitted to be used pursuant to the Planning Act (Cap. 279) or any other written law as a separate dwelling or is

lawfully so used; or

- (b) any undivided share in any estate or interest in land comprising several flats erected thereon which are permitted to be used pursuant to the Planning Act or any other written law as dwellings or are lawfully so used;”.

Repeal and re-enactment of section 14

3. Section 14 of the principal Act is repealed and the following section substituted therefor:

“Charge on residential property to secure repayment of withdrawals from the Fund

14.—(1) Where in accordance with any regulations made under section 45, a member of the Fund has on or after 1st June 1981 withdrawn any money standing to his credit in the Fund for all or any of the following purposes:

- (a) to make payment, either full or partial, towards the purchase of a residential property;
- (b) to repay or to make periodic payments towards the repayment of any loan taken by the member to finance or re-finance the purchase of a residential property;
- (c) to pay any costs, fees or other expenses incurred —
 - (i) for the purchase of a residential property;
 - (ii) for obtaining a loan to finance or re-finance such purchase; and
 - (iii) in connection with withdrawals of any money from the Fund,

there shall be a charge on the member’s estate or interest in the residential property to secure the repayment of the money withdrawn from the Fund including the interest that would have accrued thereto if the withdrawal had not been made; and where the residential property is purchased or owned by the member as a co-purchaser, joint-tenant or tenant-in-common, as the case may be, with one or more persons, the charge shall with the prior written consent of all the co-purchasers or co-owners extend to all their respective estates or interests in the residential property.

(2) A charge under subsection (1) shall extend to all the rights, benefits and interest of the member or the co-purchasers or co-owners, as the case may be, under his or their agreement for sale and purchase of the residential property.

(3) Upon lodgement by the Board with the Registrar of an instrument (which shall be in such form as the Registrar may require) for the purpose of registering or notifying any charge under subsection (1) and the acceptance of the instrument by the Registrar, the Board shall have —

- (a) the power of sale and all other powers relating or incidental thereto as if the Board is a registered mortgagee; and
- (b) the power to sell, assign and dispose of all rights, benefits and interest under the agreement for the sale and purchase of the residential property.

(4) The Registrar shall not be concerned to enquire into the regularity or validity of a charge under subsection (1), and shall, on acceptance of the instrument to register or notify the charge, register or notify the charge in the appropriate register maintained by the Registrar under the Land Titles Act (Cap. 276), the Land Titles (Strata) Act (Cap. 277) or the Registration of Deeds Act (Cap. 281), as the case may be.

(5) Any charge under subsection (1) shall be subject to all statutory rights and charges of any public authority over the residential property and, in the absence of any agreement giving priority to the Board, to all encumbrances registered or notified prior to the date of acceptance by the Registrar of the instrument to register or notify the charge.

(6) Notwithstanding section 70 of the Land Titles Act (Cap. 276) and section 16 of the Registration of Deeds Act (Cap. 281) —

- (a) where further withdrawals from the Fund are authorised by the Board after the registration or notification of any mortgage or charge created in favour of the Board at any time on or after 1st June 1981 or after the acceptance by the Registrar of the instrument lodged under subsection (3) for the purpose of registering or notifying a charge under subsection (1), all such withdrawals shall rank in priority to any other claims as if the withdrawals were made at the date of the creation of the mortgage or charge in favour of the Board; and
- (b) where any further advances have been made by a prior mortgagee or chargee after the Board has given notice in writing of the charge under subsection (1) to the prior mortgagee or chargee or after the