

**Central Provident Fund (Non-Residential Properties Scheme) (Amendment)
Regulations 2009**

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No. S 446

**CENTRAL PROVIDENT FUND ACT
(CHAPTER 36)**

**CENTRAL PROVIDENT FUND (NON-RESIDENTIAL PROPERTIES SCHEME)
(AMENDMENT) REGULATIONS 2009**

In exercise of the powers conferred by section 77(1)(*h*) and (*ra*) of the Central Provident Fund Act, the Minister for Manpower, after consulting with the Central Provident Fund Board, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Central Provident Fund (Non-Residential Properties Scheme) (Amendment) Regulations 2009 and shall come into operation on 1st October 2009.

Amendment of regulation 2

2. Regulation 2 of the Central Provident Fund (Non-Residential Properties Scheme) Regulations (Rg 10) (referred to in these Regulations as the principal Regulations) is amended by inserting, immediately after paragraph (2), the following paragraph:

“(3) For the purposes of regulations 19(2C) and 21(2C), which apply where a member has withdrawn any moneys under these Regulations in respect of the property referred to in regulations 19(1)(a) and 21(1)(a)(i), respectively, or is required under section 27C(1)(iii) or 27E(1)(ii) of the Act to make a payment to the Fund upon the sale or disposal of the property referred to in regulations 19(1)(b) and 21(1)(a)(ii), respectively, and the member is required to pay or repay to the Board or the Fund any moneys secured by any charge on the property under section 21(1), 21A(1) or 27E(1)(iv) of the Act (referred to in this paragraph as the relevant charge), the relevant requirements are as follows:

(a) any of the following applies:

- (i) there is a charge created under section 15(9) or (9A) of the Act on an immovable property (not being the property) to secure the payment to the Board of the minimum sum applicable to the member;
- (ii) there is an undertaking under section 15(10) of the Act given by the member, being the owner of an immovable property (other than the property), to refund to the Board an amount equal to the minimum sum or part thereof which he is required to set aside in the event the immovable property is sold or otherwise disposed of;
- (iii) there is an undertaking under section 15(10) or (10A) of the Act given by the member and one or more other persons, being joint owners of an immovable property (other than the property), to refund to the Board an amount equal to the minimum sum or part thereof which the member is required to set aside in the event the immovable property is sold or otherwise disposed of;
- (iv) there is a charge under section 21(1) or 21A(1) of the Act on the member’s estate or interest in an immovable property (not being the property) to secure the payment of the minimum sum into the member’s retirement account;
- (v) there is a charge constituted under section 21B(1) of the Act on an immovable property (being an HDB flat, but not being the property) to secure the payment of the minimum

sum into the member's retirement account;

- (vi) there is a charge under section 27C(1)(v) of the Act on the member's estate or interest in an immovable property (not being the property) to secure the payment by the member of the amount referred to in section 27C(1)(iii) of the Act;
 - (vii) there is an undertaking under section 27D(1)(v) of the Act given by the member to pay to the Board the amount referred to in section 27D(1)(iii) of the Act in the event an immovable property (not being the property) is sold or disposed of;
 - (viii) there is a charge under section 27E(1)(iv) of the Act on the member's estate or interest in an immovable property (not being the property) to secure the payment of the minimum sum into the member's retirement account; or
 - (ix) there is a charge constituted under section 27F(1)(iv) of the Act on an immovable property (being an HDB flat, but not being the property) to secure the payment of the minimum sum into the member's retirement account;
- (b) the member designates, in such manner as the Board may require, the immovable property referred to in the applicable sub-paragraph of sub-paragraph (a) as the principal immovable property from which an amount sufficient to cover any deficiency in the minimum sum which the member is required to set aside shall be paid to the Board, on the sale, transfer, assignment or disposal of the immovable property, or on the compulsory acquisition of the immovable property under any written law, out of the proceeds of such sale, transfer, assignment, disposal or compulsory acquisition, as the case may be;
- (c) where the member and one or more other persons jointly own the immovable property referred to in the applicable sub-paragraph of sub-paragraph (a), each joint owner of the immovable property (other than the member) gives his consent for the member to designate the immovable property as the principal immovable property for the purposes of sub-paragraph (b);
- (d) the member —
- (i) applies to the Board, in such manner as the Board may

require, not to fully enforce the relevant charge; and

- (ii) agrees to such terms and conditions as the Board may impose for not fully enforcing that charge; and

- (e) the Board grants the member's application.”.

Amendment of regulation 19

3. Regulation 19 of the principal Regulations is amended —

- (a) by deleting paragraph (2) and substituting the following paragraphs:

“(2) Subject to paragraphs (2A), (3) and (4), where the member making the sale, transfer, assignment or disposal is below the age of 55 years at the time of the sale, transfer, assignment or disposal, he shall pay to his account in the Fund, in such manner as the Board may determine, whichever is the lesser of the following amounts:

- (a) the net proceeds of the sale, transfer, assignment or disposal; or

- (b) such of the following amounts as may be applicable to him or, if both amounts are applicable to him, the aggregate of both amounts:

- (i) where paragraph (1)(a) applies to him, all moneys withdrawn by him under these Regulations in respect of the property (including any moneys lent to him under section 14A of the Act in respect of the property and withdrawn by him which have not been repaid), together with the whole or such part, as the Board may determine, of any interest that would have been payable thereon if the withdrawal had not been made;

- (ii) where paragraph (1)(b) applies to him, the relevant amount.

(2A) Notwithstanding paragraph (2) but subject to paragraphs (3) and (4), where the member making the sale, transfer, assignment or disposal —

- (a) is below the age of 55 years at the time of the sale, transfer, assignment or disposal; and
- (b) sells, transfers, assigns or disposes of the property or his estate or interest therein to an immediate family member without consideration or for a consideration below the market value of the property or his estate or interest therein,

he shall, unless the Board otherwise directs, pay to his account in the Fund, in such manner as the Board may determine, such of the following amounts as may be applicable to him or, if both amounts are applicable to him, the aggregate of both amounts:

- (i) where paragraph (1)(a) applies to him, all moneys withdrawn by him under these Regulations in respect of the property (including any moneys lent to him under section 14A of the Act in respect of the property and withdrawn by him which have not been repaid), together with the whole or such part, as the Board may determine, of any interest that would have been payable thereon if the withdrawal had not been made;
- (ii) where paragraph (1)(b) applies to him, the relevant amount.

(2B) Subject to paragraphs (2C), (3) and (4), where the member making the sale, transfer, assignment or disposal —

- (a) has attained the age of 55 years at the time of the sale, transfer, assignment or disposal; and
- (b) is required to set aside a minimum sum under section 15(6) of the Act,

he shall pay to his account in the Fund, in such manner as the Board may determine, whichever is the lesser of the following amounts:

- (i) the net proceeds of the sale, transfer, assignment or disposal; or
- (ii) the aggregate of —
 - (A) the amount of the minimum sum or any deficiency thereof which he is required to set aside; and