

Central Provident Fund (Non-Residential Properties Scheme) (Amendment No. 2) Regulations 2007

Table of Contents

Enacting Formula

1 Citation and commencement

2 Deletion and substitution of regulations 18 to 21

No. S 511

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

**CENTRAL PROVIDENT FUND (NON-RESIDENTIAL PROPERTIES SCHEME)
(AMENDMENT NO. 2) REGULATIONS 2007**

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 No. 2) Regulations 2007 and shall come into operation on 1st October 2007.

Deletion and substitution of regulations 18 to 21

2. Regulations 18 to 21 of the Central Provident Fund (Non-Residential Properties Scheme) Regulations (Rg 10) are deleted and the following regulations substituted therefor:

“No disposal of property without Board’s permission

18. Where a member —

- (a) has withdrawn any moneys under these Regulations in respect of a property (including any moneys lent to him under section 14A of the Act in respect of the property and withdrawn by him which have not been repaid); or
- (b) is required under section 27C (1) (iii) or 27E(1)(ii) of the Act to pay any moneys to the Fund upon the sale or disposal of a property,

as long as any such moneys remain payable to the Fund, the member shall not sell, transfer, assign or otherwise dispose of the property or any of his estate or interest therein without the prior written permission of the Board.

Conditions for disposal of property

19.—(1) The Board may, in its discretion and subject to such terms and conditions as it may impose, permit a member who —

- (a) has withdrawn any moneys under these Regulations in respect of a property (including any moneys lent to him under section 14A of the Act in respect of the property and withdrawn by him which have not been repaid); or
- (b) 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 a property,

to sell, transfer, assign or otherwise dispose of the property or any of his estate or interest therein to any person, if the Board is satisfied that adequate arrangements have been made to secure the payment to the member's account in the Fund of the amount specified in this regulation or such part thereof as the Board may determine.

(2) Subject to paragraphs (3) and (4), the member making the sale, transfer, assignment or disposal 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 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.

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

- (a) withdraws the sum standing to his credit in the Fund under section 15 (2)(d), (e) or (f) of the Act; or
- (b) withdraws the minimum sum or any part thereof from his account with an approved bank or his retirement account, or surrenders his approved annuity from an insurer, under section 15 (7A)(a), (b) or (ba) of the Act,

he shall 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 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 any interest that would have been payable thereon if the withdrawal had not been made, or such part thereof as the Board may determine;
- (ii) where paragraph (1)(b) applies to him, the relevant amount, or such part thereof as the Board may determine.

(4) Notwithstanding paragraphs (2) and (3), where the member transfers (other than by way of sale) his estate or interest in the property to his spouse pursuant to an order of court referred to in section 27C (1)(c) or 27E(1)(c) of the Act —

- (a) in the case of an order of court referred to in section 27C(1)(c) of the Act, the person referred to in section 27C (1) (i) of the Act shall pay to the member's account in the Fund, in such manner as the Board may determine, any amount referred to in section 27C (1) (i) of the Act which the person may be required by the order of court to pay to the Board; or
- (b) in the case of an order of court referred to in section 27E(1)(c) of the

Act, the member or person referred to in section 27E (1) (i) of the Act shall pay to the member's account in the Fund, in such manner as the Board may determine, such of the amounts referred to in section 27E (1) (i) (A), (B) or (C) of the Act as may be applicable to the member or person.

(5) In this regulation —

“net proceeds”, in relation to any property which is sold, transferred, assigned or disposed of, means any positive difference between —

- (a) the consideration for the sale, transfer, assignment or disposal of the property, or, if the Board so elects, the value of the property at the time of the sale, transfer, assignment or disposal as assessed by the Board; and
- (b) the aggregate of the following amounts paid in the following order:
 - (i) any amount under a loan for the purchase of the property which has not been repaid; and
 - (ii) any amount which, under any written law, is to be paid to any other person in priority to the Fund;

“relevant amount” means —

- (a) in relation to a member who is required under section 27C (1) (iii) of the Act to make a payment to the Fund upon the sale or disposal of a property, any positive difference between —
 - (i) the amount payment of which was secured by the charge on the property referred to in section 27C(1)(b) of the Act; and
 - (ii) the amount which has been paid to the Board under section 27C (1) (i) of the Act towards covering the deficiency in the minimum sum which the spouse of the member is required to set aside; or
- (b) in relation to a member who is required under section 27E (1) (ii) of the Act to make a payment to the Fund upon the sale or disposal of a property, any positive difference between —