

Housing and Development (Interest and Penalties for Late Payment of Improvement Contributions) Rules 2005

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THE SCHEDULE

No. S 660

HOUSING AND DEVELOPMENT ACT (CHAPTER 129)

HOUSING AND DEVELOPMENT (INTEREST AND PENALTIES FOR LATE PAYMENT OF IMPROVEMENT CONTRIBUTIONS) RULES 2005

In exercise of the powers conferred by section 65K of the Housing and Development Act, the Minister for National Development hereby makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Housing and Development (Interest and Penalties for Late Payment of Improvement Contributions) Rules 2005 and shall come into operation on 15th October 2005.

Definitions

2. In these Rules, unless the context otherwise requires —

“grace period”, in relation to any improvement contribution or instalment in arrears, means the period —

(a) starting on the date the improvement contribution or the instalment (as the case may be) first falls in arrears; and

(b) ending on the last day of the month in which that date falls;

“HDB concessionary interest rate” means the interest rate of 0.1% point per annum above the rate of interest declared from time to time under section 6 of the Central Provident Fund Act (Cap. 36);

“HDB market interest rate” means the interest rate (other than the HDB concessionary interest rate) applicable from time to time to mortgages granted by the Board before 1st January 2003 to its lessees to purchase a flat under Part IV of the Act;

“instalment” means any amount payable by a lessee or owner to the Board at monthly intervals under an instalment plan;

“instalment plan” means any agreement between the Board and a lessee or owner for the payment of any improvement contribution due from the lessee or owner in such monthly instalments and at such times as are specified in the instalment plan;

“lessee or owner” means the person who is the owner of the flat at the time the improvement contribution is determined by the Board under section 65D(3) of the Act and includes an equitable owner, an administrator and executor of a deceased owner, a person who has purchased a leasehold interest in the flat and

a purchaser under an agreement for a lease.

Calculation of penalties for improvement contribution or instalment in arrears

3.—(1) No penalty under this rule shall be payable by a lessee or owner during the grace period in respect of any improvement contribution or instalment, or any part thereof, due from the lessee or owner and in arrears.

(2) Subject to paragraphs (1) and (4), where any improvement contribution or part thereof is in arrears, there shall be imposed the following penalties:

- (a) in respect of the amount of improvement contribution or part thereof outstanding on the first day of the first month immediately following any grace period, the sum of —
 - (i) the penalty specified in the second column of the Schedule corresponding to the range in the first column of the Schedule within which falls that amount so outstanding; and
 - (ii) \$2; and
- (b) in respect of the amount of improvement contribution or part thereof that continues to be outstanding on the first day in the next or any subsequent month — the penalty specified in the second column of the Schedule corresponding to the range in the first column of the Schedule within which falls the amount that is from time to time so outstanding on the first day of each such month.

(3) Subject to paragraphs (1) and (5), where any instalment or part thereof is in arrears, there shall be imposed the following penalties:

- (a) in respect of the amount of instalment or part thereof outstanding on the first day of the first month immediately following any grace period, the sum of —
 - (i) the penalty specified in the second column of the Schedule corresponding to the range in the first column of the Schedule within which falls that amount so outstanding; and
 - (ii) \$2; and
- (b) in respect of the amount of instalment or part thereof that continues to be outstanding on the first day in the next or any subsequent month — the penalty specified in the second column of the Schedule corresponding to the range in the first column of the Schedule within which falls the amount of the instalment or part thereof, together with such other instalments or