

# **Income Tax (Gains from Short-term Property Transactions) Regulations**

## **Table of Contents**

### **1 Citation**

## **Part I PROVISIONS RELATING TO REAL PROPERTY OTHER THAN HDB FLATS**

### **2 Application of this Part**

### **3 Consideration of property acquired under certain circumstances**

### **4 Disposal of property to joint tenants by sole owner**

### **5 Disposal of property to joint tenants by existing joint tenants**

### **6 Disposal of property to sole owner by joint tenants**

### **7 Definitions of this Part**

## **Part II PROVISIONS RELATING TO HDB FLATS**

### **8 Application of this Part**

### **9 Timing of acquisition of flat sold by HDB**

### **10 Timing of acquisition and disposal of flat sold by lessee**

### **11 Disposal of flat within family**

### **12 Disposal of flat within family by addition of lessees**

### **13 Disposal of flat within family by deduction of lessees**

### **14 Exemption of flats subject to en-bloc redevelopment**

### **15 Exemption of transitional flats**

**16 Amalgamation of flats**

**17 Definitions of this Part**

**Part III GENERAL PROVISIONS**

**18 Application of this Part**

**19 Deduction of expenses**

**20 Deduction of certain expenses not allowed**

**21 Timing of acquisition of property by way of inheritance**

**22 Timing of acquisition of property by right of survivorship**

**23 Exemption from tax of gains on disposal of property consequent on matrimonial proceedings**

**Legislative History**

**INCOME TAX ACT  
(CHAPTER 134, SECTION 10F(9))**

**INCOME TAX (GAINS FROM SHORT-TERM PROPERTY TRANSACTIONS)  
REGULATIONS**

**Rg 30**

**G.N. No. S 370/1997**

**REVISED EDITION 1998**

**(15th June 1998)**

**[15th May 1996]**

**Citation**

1. These Regulations may be cited as the Income Tax (Gains from Short-term Property Transactions) Regulations.

PART I  
PROVISIONS RELATING TO REAL PROPERTY  
OTHER THAN HDB FLATS

**Application of this Part**

2. This Part shall not apply to the acquisition and disposal of any HDB flat.

**Consideration of property acquired under certain circumstances**

3. For the purposes of computing the amount of any gain or loss of any person under section 10F of the Act arising from the disposal of any real property, the following provisions shall apply:

- (a) where the real property was acquired by him by way of a gift inter vivos, settlement or grant without any consideration, the real property shall be deemed to have been acquired at a consideration equal to the market value of the real property as at the date when the real property was so acquired by him;
- (b) where the real property was acquired by him —
  - (i) as a surviving joint tenant by the operation of the right of survivorship upon the death of any other joint tenant of the real property; or
  - (ii) as a beneficiary under a will in consequence of the death of the testator, or as a person entitled to succeed beneficially to the estate of an intestate under any written law in consequence of the death of the intestate,

the real property shall be deemed to have been acquired by him at a consideration equal to the amount paid by the deceased for the real property.

**Disposal of property to joint tenants by sole owner**

4.—(1) This regulation shall apply in respect of the disposal of any real property by a sole owner to any joint tenant where the sole owner remains as a joint tenant under the joint tenancy after the disposal of the real property.

(2) The following provisions shall apply in respect of the joint tenancy after the disposal of the real property:

- (a) the real property shall be deemed, until the contrary is proved, to be owned by the joint tenants in equal shares;
- (b) the existing tenant —
  - (i) shall be deemed not to have disposed of that share (referred to in this regulation as the retained share) which he owned under the sole ownership and retained under the joint tenancy and shall be deemed to have owned and held the retained share from the date that he acquired such share under the sole ownership; and
  - (ii) shall be chargeable to tax under section 10F of the Act on any gains derived by him on the share of the real property disposed of by him;
- (c) any new joint tenant who had not paid any consideration in acquiring his share in the real property under the joint tenancy shall be deemed to have acquired such share, for the purposes of computing any gain or loss from any subsequent disposal of the share by him, at a consideration determined by the formula  $A \times B$ ,
  - where A is the share acquired by him under the joint tenancy as determined under sub-paragraph (a); and
  - B is the market value of the real property as at the date he acquired that share under the joint tenancy.

(3) In this regulation —

“existing tenant”, in relation to any real property, means any joint tenant under the joint tenancy who was previously the sole owner of the real property before the disposal of the real property;

“new joint tenant”, in relation to any real property, means any incoming joint tenant in the joint tenancy who had previously not owned any interest in the real property.