

**Stamp Duties (Amendment No. 2) Act 2010
(No. 28 of 2010)**

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**REPUBLIC OF SINGAPORE
GOVERNMENT GAZETTE
ACTS SUPPLEMENT**

Published by Authority

The following Act was passed by Parliament on 18th October 2010 and assented to by the President on 15th November 2010:—

STAMP DUTIES (AMENDMENT NO. 2) ACT 2010

(No. 28 of 2010)

I assent.

S R NATHAN

President.

15th November 2010.

Date of Commencement: 1st April 2010 Sections 3 and 6

Date of Commencement: 20th February 2010 Section 4

Date of Commencement: 15th July 2010 Section 5

Date of Commencement: 9th December 2010 Sections 2, 7, 8 and 9

An Act to amend the Stamp Duties Act (Chapter 312 of the 2006 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.—(1) This Act may be cited as the Stamp Duties (Amendment No. 2) Act 2010 and shall, with the exception of sections 3, 4, 5 and 6, come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) Sections 3 and 6 shall be deemed to have come into operation on 1st April 2010.

(3) Section 4 shall be deemed to have come into operation on 20th February 2010.

(4) Section 5 shall be deemed to have come into operation on 15th July 2010.

Amendment of section 15

2. Section 15 of the Stamp Duties Act (referred to in this Act as the principal Act) is amended —

(a) by deleting paragraphs (i) and (ii) of subsection (3) and substituting the following paragraphs:

“(i) become payable by the transferee entity to the Commissioner immediately; and

(ii) be recoverable from that entity as a debt due to the Government, together with interest thereon at the rate of 6% per annum —

(A) if the instrument is executed by any person in Singapore, from the date of its execution; or

(B) if the instrument is executed outside Singapore, from the date the instrument is first received in Singapore.”; and

(b) by inserting, immediately after subsection (3), the following subsections:

“(3A) The amount recoverable under subsection (3) shall be payable at the place stated in a notice served by the Commissioner on the entity, within one month after the service of the notice by the Commissioner on that entity.

(3B) If any amount recoverable from the entity under subsection (3) is not paid within the period specified in subsection (3A), the following penalties shall be imposed on the entity:

(a) where the outstanding amount is paid to the Commissioner within 3 months from the expiration of such period, a penalty of \$10 or the outstanding amount, whichever is the greater; and

(b) where the outstanding amount is not paid to the Commissioner within 3 months from the expiration of such period, a penalty of \$25 or 4 times the outstanding amount, whichever is the greater.

(3C) The Commissioner may reduce or remit any penalty imposed under this section.

(3D) Sections 50 and 70AA shall apply to the collection and recovery by the Commissioner of the amount recoverable under subsection (3) and any penalty imposed under subsection (3B) as they apply to the collection and recovery of duty and penalty required to be paid under this Act.”.

New section 15A

3. The principal Act is amended by inserting, immediately after section 15, the following section:

“Relief from ad valorem stamp duty for acquisition of shares of companies

15A.—(1) Subject to the provisions of this section and the prescribed conditions being fulfilled, ad valorem stamp duty under Article 3(c) in the First Schedule shall not be chargeable on any instrument executed during the period from 1st April 2010 to 31st March 2015 (both dates inclusive) for the purposes of or in connection with a qualifying acquisition of ordinary shares in a company (referred to in this section as the target company) by a Singapore company (referred to in this section as the acquiring company) or a subsidiary of the Singapore company that satisfies subsection (2) (referred to in this section as the acquiring subsidiary).

(2) For the purposes of subsection (1), the acquiring subsidiary —

- (a) must be incorporated for the primary purpose of acquiring and holding shares in other companies; and
- (b) must be directly and wholly owned by the acquiring company at the date of the acquisition.

(3) In this section, a qualifying acquisition of ordinary shares in a target company by an acquiring company or an acquiring subsidiary is any of the following:

- (a) an acquisition that results in the acquiring company or the acquiring subsidiary, as the case may be, owning more than 50% of the total number of ordinary shares in the target company where, before the date of the acquisition, the acquiring company or the acquiring subsidiary, as the case may be, owns 50% or less of the total number of ordinary shares in the target company;
- (b) any other acquisition the date of which falls within the relevant financial year of the acquisition referred to in paragraph (a);
- (c) an acquisition that results in the acquiring company or the acquiring subsidiary, as the case may be, owning 75% or more of the total number of ordinary shares in the target company where —
 - (i) before the date of the acquisition, the acquiring company or the acquiring subsidiary, as the case may be, owns more than 50% but less than 75% of the total number of ordinary shares in the target company; and

(ii) the date of the acquisition does not fall within the relevant financial year of the acquisition referred to in paragraph (a);

(d) any other acquisition the date of which falls within the relevant financial year of the acquisition referred to in paragraph (c).

(4) In subsection (3), “relevant financial year”, in relation to a qualifying acquisition of ordinary shares in a target company referred to in subsection (3)(a) or (c), means —

(a) the financial year of the company claiming relief from duty under subsection (1) for an instrument made for the purposes of or in connection with the acquisition; or

(b) any other period of 12 months as the company may elect for the purposes of claiming the relief under this section,

being a financial year or 12-month period in which the date of the acquisition falls.

(5) The election referred to in subsection (4)(b) shall be made to the Commissioner in the manner determined by him and shall be made either at the time the relief is claimed or thereafter; except that where the election is made after the relief has been claimed on the basis of subsection (4)(a) which would if approved result in any instrument which has been given relief no longer being entitled to such relief, the Commissioner may refuse to approve the election unless the company has refunded to him the amount of such relief together with interest at the prescribed rate.

(6) The Commissioner shall, on an application by the company that has paid or is liable to pay the ad valorem duty on an instrument referred to in subsection (1), and if he is satisfied that the instrument is entitled to the relief referred to in that subsection, refund to the company the amount of the duty, subject to the limit set out in subsection (7) or (8).

(7) Subject to subsection (8) and the rules made under subsection (18), the maximum amount of relief from duty to be allowed under subsection (1) to the company by which the stamp duty is payable in any of its financial years shall not exceed \$200,000.

(8) Subject to the rules made under subsection (18), where the financial year of the company by which the stamp duty is payable exceeds 12 months, the