

Central Provident Fund (Amendment) Bill

Table of Contents

Bill No: 3/1981

Read the first time: 18th February 1981

Long Title

Enacting Formula

1 Short title and commencement

2 New Part IVA

Explanatory Statement

Expenditure of Public Money

Central Provident Fund (Amendment) Bill

Bill No. 3/1981

Read the first time on 18th February 1981.

An Act to amend the Central Provident Fund Act (Chapter 121 of the 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.** This Act may be cited as the Central Provident Fund (Amendment) Act, 1981, and

shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

New Part IVA

2. The Central Provident Fund Act is amended by inserting, immediately after Part IV, the following Part: —

“PART IVA

HOME PROTECTION INSURANCE SCHEME

Interpretation

13D. In this Part —

“Home Protection Fund” means the Home Protection Fund established and maintained by the Board under subsection (1) of section 13F of this Act;

“Housing Authority” means any of the following: —

- (a) the Housing and Development Board constituted under section 3 of the Housing and Development Act (Cap. 271);
- (b) the Jurong Town Corporation constituted under section 3 of the Jurong Town Corporation Act (Cap. 209);
- (c) the Minister for Finance incorporated under the Minister for Finance (Incorporation) Act (Cap. 54);
- (d) the Housing and Urban Development Company Private Limited, a company incorporated under the Companies Act (Cap. 185);

“incapacitated” means to be physically or mentally incapacitated from ever continuing in any employment and “incapacity” shall be construed accordingly;

“premium” means the premium payable by a member to whom the Scheme applies;

“Scheme” means the “Home Protection Insurance Scheme” established and maintained by the Board under subsection (1) of section 13E of this Act.

Establishment of Home Protection Insurance Scheme

13E.—(1) The Board is hereby authorised to establish and maintain a Home

Protection Insurance Scheme for the purpose of providing that on the death or incapacity of a member to whom the Scheme applies, his liability to repay his housing loan to the Housing Authority secured by a mortgage of a house or flat to that Authority shall be discharged by the Board in accordance with the Scheme.

(2) Subject to section 13K of this Act, the Scheme shall apply to every member who has withdrawn any money from the Fund for the purchase of a house or flat from a Housing Authority pursuant to any regulations made under section 29 of this Act and the said house or flat has been mortgaged to the Housing Authority to secure the repayment of any loan given to the member save that the Scheme shall not apply to such a member if he is fifty-five years of age or above at the date when payment of the premium is due to be paid under section 13G of this Act.

(3) A prescribed premium shall be payable by every member to whom the Scheme applies.

(4) Notwithstanding anything contained in this Act, the Board shall be entitled to deduct the amount of the premium payable by the member under this section from the contributions standing to the credit of that member in the Fund, and where any such deduction has been made by the Board, the Board shall as soon as practicable give to the member concerned notice in writing to that effect.

(5) Where the amount of the premium which a member is liable to pay under the Scheme exceeds the amount standing to the credit of the member in the Fund on the date when payment of the premium is due, the difference may be paid by the member in cash or in such other form as the Board may approve, and if the member fails to pay the difference, the Board shall be entitled to recover such difference from the contributions paid into the Fund for the member at any time after the date on which the premium is due to be paid.

Establishment of Home Protection Fund

13F.—(1) The Board shall establish and maintain a fund to be known as the Home Protection Fund into which shall be paid all premiums collected under this Part and out of which shall be met all payments to be paid by it under the Scheme.

(2) The Home Protection Fund shall be controlled and administered by the Board.

Premiums when due

13G.—(1) Any premium required to be paid by a member to whom the Scheme applies shall become payable —

- (a) in any case where the instrument of mortgage of the house or flat purchased by the member has been executed before the appointed day, two months after that day; or
- (b) in any case where the instrument of mortgage of the house or flat purchased by the member has been executed on or after the appointed day, one month after the receipt by the Board of a notice under section 13J of this Act, or two months after the appointed day, whichever is the later; or
- (c) in any case where any money standing to the credit of the account of a member of the Fund has been withdrawn for the purchase of a house or flat at any time after the date of the execution of the instrument of mortgage of that house or flat, one month after such withdrawal or two months after the appointed day, whichever is the later.

(2) In this section “appointed day” means the date of commencement of the Central Provident Fund (Amendment) Act, 1981.

Period of cover

13H. Where the prescribed premium payable under the Scheme has been paid by or deducted from a member’s contributions standing to his credit in the Fund, the member shall be covered under the Scheme —

- (a) in any case where the date of the discharge of the mortgage of the house or flat under the mortgage agreement falls on or before the date that the member attains the age of fifty-five years, from the date the said premium is paid or deducted to the date the mortgage of the house or flat is to be discharged under the mortgage agreement; or
- (b) in any case where the date of the discharge of the mortgage of the house or flat under the mortgage agreement falls after the date that the member has attained the age of fifty-five years, from the date the said premium is paid or deducted to the same date in the period of twelve months immediately after he attains the age of fifty-five years.

Amount payable by the Board to the Housing Authority on death or incapacity of a member under the Scheme

13I.—(1) Where a member who is covered under the Scheme dies or becomes incapacitated at any time during the period of cover, the Board shall, upon proof of