

Property Tax (Amendment) Bill

Bill No. 31/2008.

Read the first time on 20th October 2008.

A BILL

i n t i t u l e d

An Act to amend the Property Tax Act (Chapter 254 of the 2005 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 Property Tax (Amendment) Act 2008 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 Amendment of section 2

2. Section 2 of the Property Tax Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after the definition of “premises” in subsection (1), the following definition:

10 ““prescribed structural network” means such structural network as the Minister may, by regulations, prescribe;”;

(b) by inserting, immediately after the definition of “public authority” in subsection (1), the following definition:

15 ““structural network” means a network (whether closed or otherwise) —

(a) used for any purpose, including for circulation, distribution, transportation or transmission; and

(b) comprising —

20 (i) railway or rapid transit system lines;

(ii) pipelines;

(iii) cables (including those situate within pipelines, ducts or conduits);

(iv) ducts; or

25 (v) any other type of conduit or channel,

including the settings and supports thereof and any related machine, apparatus or equipment;”;

(c) by inserting, immediately after subsection (1), the following subsection:

30 “(1A) For the purposes of this Act, a prescribed structural network shall be deemed to be a tenement, and where different parts of a prescribed structural network are owned by different

persons, each of such parts shall be deemed to be a tenement.”;
and

(d) by inserting, immediately after subsection (2), the following subsections:

5 “(2A) Where a prescribed structural network situated in or upon any premises is machinery, subsection (2) shall apply only in relation to that part of the prescribed structural network in or upon any house or building.

10 (2B) Where a person owns one or more of the properties in, upon, under or above which there is any part of a prescribed structural network, as well as the whole or any part of the prescribed structural network, the annual value of those properties and the whole or part of the prescribed structural network (as the case may be) may be assessed together.”.

15 **Amendment of section 38**

3. Section 38 of the principal Act is amended —

(a) by deleting subsection (10) and substituting the following subsections:

20 “(10) Where an agent makes any payment of moneys to the Comptroller under this section —

(a) the agent shall be deemed to have been acting under the authority of the person by whom the tax is payable (referred to in this section as the defaulting taxpayer);

25 (b) the agent is hereby indemnified in respect of the payment to the Comptroller;

(c) the amount of the tax due from the defaulting taxpayer shall be reduced by the amount paid by the agent to the Comptroller; and

30 (d) the amount of the reduction shall, to the extent of that amount, be deemed to have been paid to the defaulting taxpayer in accordance with any law, contract or scheme governing the payment of moneys held by the agent for or due from the agent to the defaulting taxpayer.

(11) Where —

(a) an amount of tax is due from any person under this Act otherwise than as an agent under this section;

5 (b) except for this subsection, an amount is or would, at any time during the period of 90 days after the date of receipt of the notice in paragraph (c), be payable by the Government to the defaulting taxpayer by or under any written law, contract or scheme; and

10 (c) before payment of the amount referred to in paragraph (b) is made to the defaulting taxpayer, the Comptroller serves notice on any public officer by whom the payment is to be made that the tax is due from the defaulting taxpayer,

15 then the public officer shall, notwithstanding any other written law, contract or scheme, be entitled to reduce the amount referred to in paragraph (b) by the amount of the whole or any part of the tax referred to in paragraph (a), and if the public officer makes such a reduction —

20 (i) the amount of the tax referred to in paragraph (a) shall be reduced by the amount of the reduction; and

25 (ii) the amount of the reduction shall, to the extent of such amount, be deemed to have been paid to the defaulting taxpayer in accordance with any law, contract or scheme governing the payment of moneys referred to in paragraph (b) to the defaulting taxpayer.”; and

(b) by inserting, immediately after the word “agent” in the section heading, the word “, etc.,”.

Validation of collection of property tax

30 **4.—**(1) Subject to subsection (2), every amount collected before the date of commencement of this Act as, or purportedly as, property tax on or in respect of any structural network (as defined in section 2(b)) shall be deemed to be and always to have been validly collected, and no legal proceedings shall lie or be instituted or maintained in any court of law on
35 account of or in respect of any such collection.

(2) Nothing in subsection (1) shall apply to or be construed to affect —

- (a) any decision of the Valuation Review Board made or judgment by any court given before 20th October 2008 (including any judgment of a court given on appeal, whether commenced before, on or after that date);
- (b) any proceedings before the Valuation Review Board or any court commenced before 20th October 2008; and
- (c) any property tax that is the subject of any objection made or given to the Chief Assessor or the Comptroller of Property Tax under the principal Act as in force before 20th October 2008, and where no decision has been made by the Chief Assessor or the Comptroller of Property Tax, as the case may be, in respect of that objection as of that date.

Saving

- 5. Nothing in this Act shall be construed to affect any provision in any other written law relating to property tax.

EXPLANATORY STATEMENT

This Bill seeks to amend the Property Tax Act (Cap. 254).

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2 to —

- (a) insert new definitions of “prescribed structural network” and “structural network” in subsection (1);
- (b) insert a new subsection (1A) to deem that prescribed structural networks are tenements so as to impose property tax on prescribed structural networks;
- (c) insert a new subsection (2A) to provide for the application to prescribed structural networks of the exclusion for certain types of machinery in subsection (2); and
- (d) insert a new subsection (2B) to provide that different parts of a prescribed structural network owned by the same person may be assessed together with any properties owned by that same person in, upon, under or above which the prescribed structural network passes.

Clause 3 amends section 38 to enable the Government to set-off an amount of outstanding tax against what is payable by the Government to the defaulting taxpayer under any law, contract or scheme.

Clause 4 validates past collections of the property tax on or in respect of structural networks as defined in clause 2(b). However, clause 4 does not apply to or affect —

- (a) any decision of the Valuation Review Board made or judgment of a court given before 20th October 2008;
- (b) any proceedings before the Valuation Review Board or any court commenced before 20th October 2008; and
- (c) any property tax that is the subject of any objection made or given to the Chief Assessor or Comptroller of Property Tax under the Act as in force before 20th October 2008, and where no decision has been made by the Chief Assessor or the Comptroller of Property Tax, as the case may be, in respect of that objection as of 20th October 2008.

Clause 5 provides that nothing in the Bill is to be construed as affecting any provision in any other written law relating to property tax.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
