

SUMMARY TABLE ON TAX CHANGE - BUDGET 2012 CHANGES

Note: You may download the draft Stamp Duties (Amendment) Bill 2012, as well as other relevant documents [here](#).

No.	Tax Change	Description and Reason for Change	Amendment to Stamp Duties Act [Clause in Stamp Duties (Amendment) Bill 2012]
1	Enhance the Merger and Acquisition (M&A) Scheme	<p>The M&A scheme provides for M&A allowance and stamp duty relief¹ on qualifying M&A completed from 1 April 2010 to 31 March 2015.</p> <p>To further support companies carrying out M&A, the stamp duty relief for qualifying M&As is enhanced to allow the acquiring company to acquire shares of the target company through multiple tiers, and not just through one tier, of wholly-owned subsidiaries.</p> <p>These changes will take effect for qualifying M&A completed from 17 February 2012 to 31 March 2015.</p>	Section 15A [Clauses 2(a) to (g)]

SUMMARY TABLE ON PROPOSED NON-BUDGET CHANGES TO THE STAMP DUTIES ACT

Note: You may download the summary table, as well as other relevant documents [here](#).

No.	Tax Change	Description and Reason for Change	Amendment to Stamp Duties Act [Clause in Stamp Duties (Amendment) Bill 2012]
2	Extend the appeal deadline for stamp duty from the current 21	<p>To align with the appeal deadlines for other tax types such as the Income Tax and Goods and Services Tax. The longer period provides taxpayers more time to evaluate the issue before appealing.</p> <p>A savings provision has been added at the end of the Bill to preserve the 21-day period for past decisions.</p>	Section 40 [Clauses 6 and 12]

¹ The stamp duty relief on the transfer of ordinary shares for qualifying M&As is capped at \$200,000 of stamp duty per acquiring company per financial year.

	days to 30 days		
3	Enable subsidiary legislations to be made by the Minister to modify the application of specified sections of the Act	<p>To enable subsidiary legislations to be made by the Minister to modify the application of certain sections of the Act as a result of an amendment made to the First or Third Schedule (which sets out the types of chargeable instruments and persons liable to duty respectively).</p> <p>The sections identified are those which deem certain instruments as a conveyance or transfer of property, or a conveyance on sale of property. The Minister is able to prescribe in subsidiary legislation the circumstances in which the amendments to the Schedules are to apply in relation to these sections, as well as to resolve any uncertainty in the operation of these sections as a result of an amendment to the Schedules.</p>	Section 78 [Clauses 11(a) and (b)]
4	Clarify that stamp duty is no longer chargeable on a conveyance on sale of any type of property other than land, stock and shares	<p>Section 22(1)(b) is amended as stamp duty is no longer chargeable on a conveyance on sale of any type of property but only immovable property (such as land), stock and shares.</p> <p>The amendment removes reference to “or goods, wares, or merchandise” and “or any ship or vessel, or part interest, share or property of or in any ship or vessel” from Section 22(1)(b).</p>	Section 22 [Clause 3]
5	Remove references to physical revenue stamps	As the e-stamping system has been implemented since 1 September 1999, physical revenue stamps and franking machines have been decommissioned. Certain provisions in the Stamp Duties Act that make reference to the physical stamps are either amended or replaced.	Sections 29(2), 48, 57 and 58 [Clauses 5, 7, 8(a) to (f), 9(a) and (b)]
6	Clarify the Seller’s Stamp Duty	<p>Currently, Seller’s Stamp Duty is imposed on the sale of a property used for residential purpose (“prescribed purpose”). Where part of a property is used for a non-prescribed purpose (e.g. commercial), the Seller’s Stamp Duty is reduced by an amount considered to be attributable to any part of the property used for a non-prescribed purpose.</p> <p>Section 22A is amended to clarify that the reduction in Seller’s Stamp Duty on the part of the property used for a non-prescribed purpose (e.g. commercial) also applies to vacant land. It also clarifies that the reduction in Seller’s Stamp Duty does not apply to parts used <u>temporarily</u> for non-prescribed purpose.</p>	Section 22A [Clause 4]

		There is no change in policy.	
7	Clarify that Rules may be made to amend any stamp duty remission Order made before 1 January 2012	Currently, Section 74 provides for the power to reduce or remit duties subject to conditions via gazetted Rules. Section 74 is amended to clarify that all Orders made before 1 January 2012 shall be deemed as Rules made under Section 74. This is a technical amendment to enable Minister to make Rules under Section 74 to amend any Remission Order made before 1 January 2012.	Section 74 [Clauses 10(a) to (c)]