

Press Release

MOF INVITES FEEDBACK ON PROPOSED CHANGES TO THE PROPERTY TAX ACT

1. The Ministry of Finance is conducting a public consultation on the draft Property Tax (Amendment) Bill 2017 from 4 May 2017 to 19 May 2017 to invite interested parties to provide feedback on the Bill.

Proposed Amendments

2. The draft Property Tax (Amendment) Bill 2017 provides for three changes to the Property Tax Act. The amendments are intended to update the legislation and to improve tax administration. Specifically, the changes will:

- a) Clarify that machinery that is used for providing the setting / controlled environment for business and industrial processes to take place in the building or for storage of articles is to be assessed, together with the land or building on which it has been affixed, for property tax. (In other words, such machinery is not exempted from property tax.) If approved by the Parliament, this change is to take effect from 1 January 2018. The amendment will provide clarity and certainty to taxpayers.
- b) Provide the basis to implement an “opt-out” approach for digital property tax notices. The legislative amendment will take effect from gazette date. The widespread use of computers and mobile devices allows taxpayers to receive digital instead of hardcopy tax notices. The use of digital notices gives taxpayers greater convenience, security and timeliness of alert. To enable more taxpayers to benefit from digital channels, the Act will be amended so that taxpayers who wish to continue receiving hardcopies can opt out while others will receive digital tax notices. (The current provisions of the Act require taxpayers to provide specific consent before the Comptroller can issue them with digital tax notices instead of hardcopy notices.) Taxpayers will have the flexibility to manage their preference for hardcopy or e-copy at any time.
- c) Provide clarity and to enhance the information gathering powers of the Comptroller of Property Tax, the Chief Assessor and the officers authorised by either of them in that behalf. The change will allow the Comptroller of Property Tax, the Chief Assessor and their authorised officers to:

- i. Require persons to attend personally before the Comptroller, Chief Assessor or an officer authorised by them, to provide information at a time and place specified by them.
- ii. Require any person to be examined orally and provide information for investigation by the Comptroller, Chief Assessor, or an officer authorised by them, if the person appears to be acquainted with the facts and circumstances concerning the person's or another person's properties.
- iii. Enhance the penalties for failure to comply with a request of information made by the Comptroller, Chief Assessor or an officer authorised by them.

This amendment will strengthen IRAS' enforcement and information-gathering powers.

Consultation Details

3. The public can access the detailed consultation documents, including the draft Property Tax (Amendment) Bill 2017, on the Ministry of Finance's website (www.mof.gov.sg) and the REACH consultation portal (www.reach.gov.sg).

4. Written comments can be submitted to:

Ministry of Finance
Tax Policy Directorate
100 High Street #10-01
The Treasury
Singapore 179464

Fax: 6337 4134

Email: pc_ptabill@mof.gov.sg (preferred mode)

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About Ministry of Finance

The Ministry of Finance aims to advance the well-being and development of Singapore through Finance. The Ministry strives to achieve a balanced budget through prudent fiscal policy, foster a regulatory environment conducive to business and enterprise, ensure prudent investment of the Government's reserves and other public funds, and sets policies for government procurement, e-government, customs regulation, accounting standards and business regulation.

We achieve this together with our departments (Accountant-General's Department, Singapore Customs and Vital.org – Centre for Shared Services), and statutory boards (Accounting & Corporate Regulatory Authority, Inland Revenue Authority of Singapore and Tote Board).

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