

CORPORATE REAL ESTATE

Singapore Extends ABSD Remission Timelines

Introduction

Licensed Housing Developers ("HDs") purchasing residential land are subject to 40% Additional Buyer's Stamp Duty ("ABSD"), which consists of (i) a non-remittable component (5%); and (ii) an upfront remittable component (35%). The remittable component may be entirely or partially (if at least 90% of units are sold within the sale timeline) clawed back with interest if the following timelines are not satisfied:

Stage	Timeline
Commencement	2 years commencing from the date of acquisition of the site
Completion	5 years commencing from the date of acquisition of the site
Sale	5 years commencing from the date of acquisition of the site

On 5 March 2025, the Government announced the following extensions to the above ABSD remission timelines:

1. Extension to the ABSD remission timelines for complex projects ("**Extension for Complex Projects**"); and
2. Extension to qualifying period for the ABSD remission timeline extensions for smaller projects (total gross floor area ("**GFA**") under 30,000 sqm) submitted through CORENET X ("**CORENET X Extension**").

1. Extension for Complex Projects

The extension to the ABSD remission commencement, completion, and sale timelines for targeted complex projects are meant to encourage HDs to undertake complex large-scale urban transformation developments.

These revisions to the ABSD remission timelines will apply to projects on residential land acquired on or after 6 March 2025.

To qualify for the extension, the project must fall within at least one of the following four categories:

Category	Scope
1	<p>En bloc redevelopments where:</p> <ol style="list-style-type: none"> 1. the site yields at least 700 residential units upon redevelopment, and 2. the number of residential units upon redevelopment is at least 1.5 times the number of residential units of the existing development.
2	<p>Projects with complex technical or infrastructural requirements. This comprises any of the following four types of projects:</p> <p><u>Sites integrated with major public transport facilities</u></p> <ul style="list-style-type: none"> • Sites that require the HD to structurally integrate major public transport facilities with the development, such as by building and/or relocating the Bus Interchange, building upon pre-provided loading provisions on top of a live Rapid Transit System ("RTS") station; building and/or relocating RTS ancillary structures, which includes but are not limited to entrance/exit structures, fire escape staircases, cooling towers and vent shafts, with the relocated structures factored upfront in the design of the development. <p><u>Sites with requirements to implement major public facilities</u></p> <ul style="list-style-type: none"> • Sites that require the HD to design and construct major pedestrian connectivity facilities/structures that serve the general public (such as underpasses or above-grade connections that serve pedestrians and cyclists, and/or incorporate urban landscaping that is accessible to the public), and/or major public facilities to be handed over to government agencies (such as hawker centres, police stations, community centres, polyclinics, public parks, etc). This does not apply to public facilities needed to support the subject development, like service roads, drainage systems and sewers. <p><u>Sites with requirements to implement district-level infrastructure</u></p> <ul style="list-style-type: none"> • Sites that require the HD to design and construct district-level infrastructure such as (i) district-level cooling systems; and/or (ii) District Pneumatic Waste Conveyance Systems; and/or (iii) common services tunnels; and/or (iv) district centralised vehicle parking facilities, that serve adjacent or nearby developments within the area. <p><u>Sites with requirements to undertake extensive conservation works</u></p> <ul style="list-style-type: none"> • Sites that require the HD to carry out restoration works to conserved buildings with the conserved GFA totalling more than or equal to 10,000 sqm GFA or at least 20% of the total development's GFA.
3	<p>Projects approved under the Urban Redevelopment Authority's ("URA") Strategic Development Incentive scheme.</p>

Category	Scope
4	Projects that aim to achieve higher productivity targets, through the adoption of nascent construction technologies, methodologies or progressive practices. These include (but are not limited to) (i) high standardisation of building components, which could be replicated across projects, (ii) collaborative contracting, and (iii) robotics and automation deployment.

Under the Extension for Complex Projects, the extended ABSD remission timelines are as follows:

1. Projects that fall within any one of the four categories above will be provided an extension of 6 months to the ABSD commencement, completion and sale timelines.
2. Projects that fall within more than one category will be provided with an extension of 12 months to the commencement, completion, and sale timelines.

In summary, the ABSD remission timeline for projects that qualify for this extension is listed in the table below:

Timeline	Permitted Extension	Extended Timeline
Commencement	6 months if project falls within one category	2.5 years commencing from the date of acquisition of the site (3 years for projects that satisfy two or more categories)
Completion	12 months if project falls within more than one category	5.5 years commencing from the date of acquisition of the site (6 years for projects that meet two or more categories)
Sale		5.5 years commencing from the date of acquisition of the site (6 years for projects that meet two or more categories)

When to apply for extension under Extension for Complex Projects:

1. Generally, the application for extension should be made as soon as all relevant information and supporting documents are ready – supporting documents include Documentation on URA's conveyance granted for Outline Applications (in the form of Advice or Outline Planning Permission) or Development Application Stage (in the form of Provisional Permission or Written Permission). Applications should be submitted early to allow for sufficient lead time as the processing time will include the time taken for consultation with the relevant agencies, such as URA and the Building and Construction Authority ("**BCA**").
2. For Category 4 projects (higher productivity targets), the application is to be made via BCA. BCA has noted on their website (linked [here](#)) that the application shall be submitted in the form of a Project Specific Implementation Plan ("**PSIP**") to demonstrate how the proposed innovation and nascent technologies, methodologies and/or progressive practices will achieve a higher level of productivity improvement. The first PSIP submission should be made:

- no later than 3 months from obtaining URA's Provisional Permission under CORENET 2.0 or clearance of Design Gateway under CORENET X, and
 - before Building Plan submission under CORENET 2.0 or Piling Gateway (where applicable)/Construction Gateway under CORENET X.
3. No application is required for sites under the Government Land Sales Programme which qualify under Category 2 projects (complex technical or infrastructural requirements). For such projects, the extended timelines will be made known upfront to prospective tenderers in the tender document.

2. CORENET X Extension

Licensed HDs of private residential projects submitted through CORENET X are eligible for a 6-month extension to their ABSD remission commencement, completion, and sale timelines, if all of the following criteria are met:

1. the project entirely undergoes the CORENET X approval process for building works (i.e. submit and secure clearance for Design and Construction Gateways);
2. The first submission is made during the transition period from 18 December 2023 to 31 December 2025 (inclusive) for projects with a GFA of 30,000 sqm or more, or from 18 December 2023 to 31 December 2026 (inclusive) for projects with a GFA of less than 30,000 sqm; and
3. Projects have a minimum of 6 months left of their 2-year commencement timeline, at the point when the first submission is made under the CORENET X approval process for building works.

For the avoidance of doubt, ABSD remission timeline extensions granted under CORENET X cannot be combined and added to the extensions granted for Complex Projects (as detailed in the previous section).

When to apply for extension under the CORENET X Extension:

1. Application for extension should be made as soon as the three conditions above have been satisfied, and supporting documents that evidence the same are ready for submission.

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