



Additional Buyer's Stamp Duty (ABSD) For Residential Properties Transferred Into A Living Trust

8 May 2022

Dear Members,

On Sunday (8 May), the Government that **ABSD of 35% will apply on any transfer of residential property into a living trust, where the transfer occurs on or after 9 May 2022.**

[https://www.mof.gov.sg/news-publications/press-releases/additional-buyer-s-stamp-duty-\(absd\)-for-residential-properties-transferred-into-a-living-trust](https://www.mof.gov.sg/news-publications/press-releases/additional-buyer-s-stamp-duty-(absd)-for-residential-properties-transferred-into-a-living-trust)

With this change, ABSD will be payable even if there is no identifiable beneficial owner at the time the residential property is transferred into a trust.

ABSD (Trust) is to be payable upfront, when the residential property is transferred into any living trust. As a concession, a trustee may apply to IRAS for a refund of ABSD (Trust), provided that the following conditions are met:

- a) All beneficial owners of the residential property are identifiable individuals;
- b) Beneficial ownership of the residential property has vested in all of these beneficial owners at the time of property transfer into the trust; and
- c) The beneficial ownership cannot be varied or revoked, or be subject to any condition subsequent, under the terms of the trust.

The refund amount will be based on the difference between the ABSD (Trust) rate of 35% and the ABSD rate corresponding to the profile of the beneficial owner with the highest applicable ABSD rate. The application for the refund must be made to IRAS within six months after the instrument is executed. For more information, please visit <https://www.iras.gov.sg/taxes/stamp-duty/for-shares/claiming-refunds-reliefs-and-remissions/how-to-claim-refunds>.

Thank you

With best regards

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