

LEGISLATION WATCH

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Bills introduced in November

The **Banking (Amendment) Bill** (No 13/2006) seeks to amend the Banking Act (Cap 19) for the following main purposes:

- (a) to expand the regulation of credit card and charge card businesses of banks and other institutions;
- (b) to empower the Monetary Authority of Singapore (“the Authority”) to appoint its officers to exercise its power to grant or revoke exemptions on a case-by-case basis under specified provisions of the Act;
- (c) to expand the power of the Minister and the Authority to obtain information from a bank, a financial holding company or a shareholder (or any person who appears to have an interest in any share) of a bank or financial holding company;
- (d) to empower the Authority to require a bank within a class of banks to maintain additional cash balances above the minimum cash balances specified for that class of banks if the bank poses greater supervisory concerns and for the Authority to impose a financial penalty (to be prescribed by the Minister) on a bank for a breach of any requirement to maintain minimum cash balances; and
- (e) to expand the powers of the Authority to deal with a distressed or an insolvent bank.

The Bill also makes consequential amendments to the Companies Act (Cap 50) and the Deposit Insurance Act 2005 (Act 31 of 2005).

The **Statutes (Miscellaneous Amendments) Bill** (No 14/2006) seeks to make certain miscellaneous amendments to certain statutes of the Republic of Singapore as follows:

- (a) to amend the Building Maintenance and Strata Management Act 2004 (Act 47 of 2004), the Business Trusts Act (Cap 31A), the Charities Act (Cap 37), the Companies Act (Cap 50), the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Cap 65A), the Customs Act (Cap 70), the Financial Advisers Act (Cap 110), the Income Tax Act (Cap 134), the Limited Liability Partnerships Act 2005 (Act 5 of 2005), the Money-changing and Remittance Business Act (Cap 187), the Securities and Futures Act (Cap 289) and the Trust Companies Act (Cap 336) in relation to record-keeping periods;
- (b) to amend the Moneylenders Act (Cap 188) and the Pawnbrokers Act (Cap 222) by inserting in those Acts, in relation to the record-keeping requirement, a record-keeping period of five years;
- (c) to amend the Patents Act (Cap 221) mainly —

- (i) to enable a declaration specifying an earlier relevant application to be made in or in connection with an application for a patent (the application in suit), notwithstanding the expiry of the period of 12 months immediately following the date of filing of the specified earlier relevant application;
- (ii) to enable an applicant to file a missing part of his application for a patent; and
- (iii) to introduce a new procedure for the preliminary examination by the Registrar of Patents of applications for patents;
- (d) to amend the Plant Varieties Act (Cap 232A) to empower the Intellectual Property Office of Singapore to prescribe the offences under that Act which may be compounded, and that all composition sums collected will be paid into the funds of the Office;
- (e) to amend the Boundaries and Survey Maps Act (Cap 25) to provide for the application of that Act to limited liability partnerships licensed under the Land Surveyors Act (Cap 156);
- (f) to amend Sched A of the Criminal Procedure Code (Cap 68) to make provision for certain offences under the Penal Code (Cap 224) to be seizable, non-bailable and non-compoundable;
- (g) to amend the Immigration Act (Cap 133) to provide that the Controller of Immigration may determine the manner and form of security required, so as to allow flexibility in relation to the type of security which may be accepted;
- (h) to amend the Land Surveyors Act (Cap 156) mainly —
 - (i) to provide for the licensing of limited liability partnerships and for the application of that Act to limited liability partnerships;
 - (ii) to change certain requirements for obtaining a licence for a multi-discipline and corporate practice; and
 - (iii) to allow the Land Surveyors Board to invest its funds in accordance with the standard investment power of statutory bodies;
- (i) to make a technical amendment to the Parliamentary Elections Act (Cap 218) to clarify a reference therein;
- (j) to make a technical amendment to the Public Transport Council Act (Cap 259B) to clarify the definition of “ticket payment service”;
- (k) to amend the Third Schedule to the Public Utilities Act (Cap 261) to change the financial year of the Public Utilities Board;
- (l) to amend the Road Traffic Act (Cap 276) to remove the restriction that particulars of conviction or disqualifications under that Act may be maintained only for a period not exceeding three years from the date of the conviction or disqualification so as to allow a court to have access to all relevant previous convictions when sentencing a repeat offender;
- (m) to amend the Subordinate Courts Act (Cap 321) to reflect the days on which the subordinate courts and the Registry of the subordinate courts are open following the introduction of the five-day workweek in the Civil Service;

- (n) to amend the Supreme Court of Judicature Act (Cap 322) to reflect the days on which the High Court, the Court of Appeal and the Registry of the Supreme Court are open following the introduction of the five-day workweek in the Civil Service; and
- (o) to amend the Women's Charter (Cap 353) to change the composition of the committee that is empowered to make rules in relation to the practice and procedure (including fees and costs) applicable to proceedings under Pt X of that Act so that the committee will now include a District Judge and two practising advocates and solicitors, all of whom are to be appointed by the Chief Justice.

The **Trade Marks (Amendment) Bill** (No 15/2006) seeks to amend the Trade Marks Act (Cap 332) for the following main purposes:

- (a) to provide for an application for registration of a trade mark to be divided into two or more separate applications for registration of the trade mark, so as to enable Singapore to give effect to Art 7 of the Singapore Treaty on the Law of Trademarks;
- (b) to enable a person to make a single application for the registration of a series of trade marks in respect of goods or services belonging to two or more different classes;
- (c) to remove the mandatory requirement for the Minister to consult the Intellectual Property Office of Singapore before he makes any rules under s 108 of the Act; and
- (d) to enable the Minister to make rules for the extension of any time limit which has not expired, and for the reinstatement of certain matters where there has been a failure to comply with a time limit, as so to enable Singapore to give effect to Art 14 of the Singapore Treaty on the Law of Trademarks.

The **Secondhand Goods Dealers Bill** (No 16/2006) provides for the licensing and control of dealers in secondhand goods and for matters connected therewith, and for the repeal of the Secondhand Dealers Act (Cap 288). The Bill provides, amongst other things —

- (a) for the Minister to appoint a Licensing Officer, and that the Licensing Officer may issue or renew licences in his discretion;
- (b) for the keeping of records by secondhand goods dealers and for the submission of such records to the Licensing Officer in any format or medium as may be required by the Licensing Officer and at such time as the Licensing Officer may require;
- (c) for the retention of records for a period of not less than five years by the secondhand goods dealers and the production of such records for examination at any time on demand by any Magistrate, Justice of the Peace, the Licensing Officer or a police officer;

- (d) for the power of the court to order the delivery of a stolen property to the owner thereof where a person has been convicted of an offence under Chap XVII of the Penal Code (Cap 224) in respect of that property and that property has been sold to a secondhand goods dealer; and
- (e) for any person who is guilty of an offence under the Bill to be liable on conviction to a fine not exceeding \$20,000 or to imprisonment for a term not exceeding 12 months or to both.

The Bill also makes consequential amendments to the Central Provident Fund Act (Cap 36), the Registration of Criminals Act (Cap 268) and the Vandalism Act (Cap 341).

The **Arms and Explosives (Amendment) Bill** (No 17/2006) seeks to amend the Arms and Explosives Act (Cap 13) principally to extend the Act to regulate the possession, control, import, export, manufacture, dealing in, storage and keeping of explosive precursors, which can be used to make explosives.

The **Education Endowment Scheme (Amendment) Bill** (No 18/2006) seeks to amend the Education Endowment Scheme Act (Cap 87A) to enable the Government to top up the income of the Edusave Endowment Fund from time to time.

The **Income Tax (Amendment) Bill** (No 19/2006) seeks to implement the income tax changes announced in the Government's 2006 Budget Statement and to make certain other amendments to the Income Tax Act (Cap 134). The Bill provides, amongst other things —

- (a) that tax relief for mandatory contributions to the Central Provident Fund in respect of additional wages shall be a sum computed in a specified manner instead of a fixed sum;
- (b) for the extension of tax exemption to various types of income derived by individuals such as a discount from debt securities irrespective of the tenure, distribution made by a restricted authorised scheme, and income from structured products;
- (c) for a deduction to any company for the cost of acquiring treasury shares when it transfers such shares to any person under a stock option scheme or share award scheme by reason of any office or employment held in Singapore by that person, and for the computation of such costs;
- (d) for the power of the Comptroller to make adjustments to the tax liability of a life insurer in a case where, immediately before the life insurer ceases business permanently without transferring the business to any person in Singapore, there is an amount remaining in the participating fund which is not allocated by way of bonus to any participating policy;
- (e) for the tax treatment of prescribed Islamic financing arrangements;
- (f) for the expansion of the types of donations qualifying for double deduction to include any approved donation of a work of art to an approved museum, a work of art to an approved recipient for public display, any sculpture to an

approved recipient for public display indoors, and money or services for installing or maintaining any sculpture or work of art for public display; and

- (g) for the offence of failure to make a return of income, and for the enhanced penalty for failing to make a return of income for any year of assessment for 3 years or more.

The **Property Tax (Surcharge) (Abolition) Bill** (No 20/2006) seeks to repeal the Property Tax (Surcharge) Act (Cap 255) as it is no longer necessary to have an Act to impose a surcharge on property tax for certain classes of properties held by foreign owners since most of these properties have already been sold by these foreign owners to Singaporeans, or other foreign owners have already obtained approval under the Residential Property Act (Cap 274) and who therefore are not required to pay the surcharge.

The Property Tax (Surcharge) Act will be repealed retrospectively with effect from 1st July 2006 and the surcharge levied on property tax in respect of any property in the year 2006 will be in respect of the period from 1st January to 30th June of that year only.

The **Children Development Co-Savings (Amendment) Bill** (No 21/2006) seeks to amend the Children Development Co-Savings Act (Cap 38A) for the following main purposes:

- (a) to enable the moneys standing to the credit of a member of the Children Development Co-Savings Scheme in his bank account opened for the purposes of the Scheme to be transferred to the member's Edusave account under the Education Endowment Scheme Act (Cap 87) or to such other account in the name of the member as may be prescribed by the Minister;
- (b) to extend maternity protection and benefits to any female employee, and maternity benefits to any self-employed woman, whose child is not a citizen of Singapore, or is not a legitimate child, at the time of the child's birth, if certain requirements are satisfied; and
- (c) to provide for reimbursement by the Government —
 - (i) to any employer who has granted paid adoption leave to a female employee who has applied to adopt a child; and
 - (ii) to any self-employed woman who has applied to adopt a child and who has lost income due to her ceasing to be actively engaged in her trade, business, profession or vocation in connection with the adoption of the child.

The **Charities (Amendment) Bill** (No 22/2006) seeks to amend the Charities Act (Cap 37) for the following purposes:

- (a) to provide for additional functions, duties and powers of the Commissioner and Deputy Commissioner of Charities, and the delegation of functions, duties and powers to the Assistant Commissioners of Charities;
- (b) to provide for the establishment of a Charity Council and its functions;

- (c) to provide for the regulation of institutions of a public character; and
- (d) to provide for the appointment of Sector Administrators and their functions and powers.

The Bill also makes consequential amendments to the Estate Duty Act (Cap 96), the Income Tax Act (Cap 134), the Inland Revenue Authority of Singapore Act (Cap 138A), the Legal Profession Act (Cap 161), the National Heritage Board Act (Cap 196A) and the Singapore Academy of Law Act (Cap 294A).

The **Land Transport Authority of Singapore (Amendment) Bill** (No 23/2006) seeks to amend the Land Transport Authority of Singapore Act (Cap 158A) mainly to confer on the Land Transport Authority of Singapore (“the Authority”) the powers —

- (a) to form or participate in the formation of any company or corporation, or enter into any joint venture or partnership, whether in Singapore or elsewhere;
- (b) to participate in any overseas venture or development which the Authority has the expertise to engage in or undertake;
- (c) to establish and maintain officers, whether in Singapore or elsewhere; and
- (d) to provide technical advice or assistance, including training facilities and consultancy services, to any person as respects any matter in which the Authority has skill or experience.

The **Air Navigation (Amendment) Bill** (No 24/2006) seeks to amend the Air Navigation Act (Cap 6) for the following main purposes:

- (a) to increase the maximum penalties that may be prescribed for any breach of the provisions of an order made under s 3;
- (b) to empower the Minister to make provisions, by order, for and in relation to the investigation of any accident or incident involving air navigation;
- (c) to provide for the liability of officers or members where an offence is committed by a body corporate or an unincorporated association; and
- (d) to increase the maximum sum for which any offence which is prescribed as a compoundable offence may be compounded under the Act, and to provide that no further proceedings will be taken against the person on payment of the sum of money.

Subsidiary legislation published in November and December

The **Fire Safety (Petroleum and Flammable Materials) (Amendment) Regulations 2006** (GN No S 625/2006, wef 15 November 2006) amend the Fire Safety (Petroleum and Flammable Materials) Regulations 2005 (GN No S 81/2005) to provide that —

- (a) the Commissioner of Civil Defence may, as a condition for the issue of a licence under the Fire Safety Act (Cap 109A), require any vehicle transporting petroleum or flammable materials to be fitted with such

operational tracking device, immobilisation device and orange-coloured licence plate as the Commissioner may approve; and

- (b) no person shall tamper with or remove any such operational tracking device or immobilisation device fitted in or on a vehicle licensed to transport petroleum or flammable materials.

The Education Endowment Scheme (Prescribed Amount of Contribution) Order 2006 (GN No S 641/2006, wef 1 January 2007) provides that the amount of contribution to be paid to every member of the Edusave Pupils Fund under s 9(1) of the Education Endowment Scheme Act (Cap 87A) for the year 2007 shall be —

- (a) \$170 for a member who is receiving primary education in a prescribed school; and
- (b) \$200 for a member who is receiving secondary education in a prescribed school.

The Legal Profession (Limited Liability Law Partnership) Rules 2006 (GN No S 654/2006, wef 1 January 2007) provide, among other things, that —

- (a) an application under s 81Q of the Legal Profession Act (Cap 161) (“the Act”) for approval of a limited liability partnership (“LLP”) or proposed LLP as a limited liability law partnership and of the name or proposed name of the limited liability law partnership shall be made in such form as the Council of the Law Society of Singapore (“the Council”) may determine, and shall be accompanied by an application fee of \$1,000 and such documents, particulars and information as the Council may determine;
- (b) an appeal to the High Court under s 81X of the Act against a decision of the Council shall be made by way of originating summons in Form 4 of Appendix A to the Rules of Court (Cap 322, R 5);
- (c) the primary business of a limited liability law partnership shall be the supply of legal services and every partner of such partnership shall be an advocate and solicitor who has in force a practising certificate;
- (d) every limited liability partnership to which the business of a law firm or law corporation has been transferred shall, within seven days of the transfer, give notice in writing to every client of the law firm or law corporation of the transfer and that with effect from the date of the transfer —
 - (i) the limited law liability partnership shall replace the law firm or law corporation as the provider of legal services to the client;
 - (ii) the possession of any document, or any money or fund, held by the law firm or law corporation for or on behalf of the client shall be transferred to the limited liability law partnership to be held for or on behalf of the client; and
 - (iii) any money or funds held by the law firm or law corporation for or on account of the client shall be transferred to the limited liability law partnership to be held for or on account of the client;

- (e) every limited liability law partnership shall, within seven days of any change in the particulars of its partners, its registered office and address of every branch office and its telephone and fax numbers, notify the Council of such change; and
- (f) every limited liability law partnership shall, within seven days of the lodgement of any document with the Registrar of Limited Liability Partnerships, submit to the Council such copies of the lodged document as the Council may require.

The **Public Trustee (Rate of Interest under Section 12(1)) Notification 2006** (GN No S 676/2006, wef 1 January 2007) provides that for the purpose of s 12(1) of the Public Trustee Act (Cap 260), the rate of interest payable to the respective estates the moneys of which form part of the common fund shall be 3.75% per annum for the year 2007.

The Prime Minister has directed, *vide* the **Constitution of the Republic of Singapore (Responsibility of the Minister, Prime Minister's Office) (No. 3) Notification 2006** (GN No S 708/2006, wef 1 January 2007), that Mr Lim Boon Heng shall be charged with the responsibility for the following matters:

- (a) to assist and advise the Prime Minister on issues concerning ageing and care of the elderly;
- (b) the portfolio of the Minister for Community Development, Youth and Sports in so far as such responsibility relates to the following matters:
 - (i) People's Association;
 - (ii) Grassroots Organisations (including Constituency Sports Clubs); and
 - (iii) Community Development Councils; and
- (c) to discharge such other duties as may be assigned by the Prime Minister, and that he shall be designated as Minister, Prime Minister's Office).

The Prime Minister has directed, *vide* the **Constitution of the Republic of Singapore (Responsibility of the Minister, Prime Minister's Office) (No. 4) Notification 2006** (GN No S 709/2006, wef 1 January 2007), that Mr Lim Swee Say shall be charged with the responsibility for the following matters:

- (a) to advise the Prime Minister on matters relating to the maintenance of industrial peace and productivity of Singapore's workforce, and the well-being and welfare of workers; and
- (b) to discharge such other duties as may be assigned by the Prime Minister, and that he shall be designated as Minister, Prime Minister's Office).

Act brought into operation in December

The **Legal Profession (Amendment) Act 2005** (Act 41 of 2005) (wef 4 December 2006 *vide* GN No S 650/2006)

Revision of Acts

The Law Revision Commissioners have published, in loose-leaf form, a revised edition of the following Acts, incorporating amendments up to 1 December 2006 (wef 31 December 2006 *vide* GN No S 682/2006):

- (1) Biological Agents and Toxins Act (Cap 24A)
- (2) Deposit Insurance Act (Cap 77A)
- (3) Limited Liability Partnerships Act (Cap 163A)
- (4) Nanyang Technological University (Incorporation) Act (Cap 192A)
- (5) National University of Singapore (Incorporation) Act (Cap 204A)

Revision of Subsidiary Legislation

The Law Revision Commissioners have published, in loose-leaf form, the 2006 Revised Edition of Subsidiary Legislation made under the following Acts (wef 30 November 2006 *vide* GN No S 646/2006), incorporating all the amendments up to 1 November 2006:

- (1) Accountants Act (Cap 2)
 - (a) *Accountants (Public Accountants) Rules (R 1) (S 164/2004)*
 - (b) *Accountants (Accounting Corporations, Accounting Firms and Accounting LLPs) Rules (R 5) (S 576/2006)*
 - (c) *Accountants (Designation of Successor Company and Successor Society of the Institute of Certified Public Accountants of Singapore) Notification (N 1) (S 132/2004)*
- (2) Business Registration Act (Cap 32)
 - (a) *Business Registration Regulations (Rg 1) (S 22/2003)*
 - (b) *Business Registration (Identical Names) Rules (R 1) (S 23/2003)*
 - (c) *Business Registration (Exemption for Multilateral Investment Guarantee Agency) Notification (N 1) (S 489/2002)*
 - (d) *Business Registration (Exemption of Accounting Firms) Notification (N 2) (S 133/2004)*
 - (e) *Direction under s 13(1)(d) (Dir 1) (S 264/91)*
- (3) Central Provident Fund Act (Cap 36)
 - (a) *Central Provident Fund (Revised Minimum Sum Scheme) Regulations (Rg 2) (S 305/95)*

- (b) *Central Provident Fund (Minimum Sum Topping-Up Scheme) Regulations (Rg 3) (S 306/95)*
- (c) *Central Provident Fund (Approved Middle-Income Housing Scheme) Regulations (Rg 4) (S 205/75)*
- (d) *Central Provident Fund (Residential Properties Scheme) Regulations (Rg 6) (S 159/82)*
- (e) *Central Provident Fund (Investment Schemes) Regulations (Rg 9) (S 609/2000)*
- (f) *Central Provident Fund (Non-Residential Properties Scheme) Regulations (Rg 10) (S 99/86)*
- (g) *Central Provident Fund (Home Protection Insurance Scheme) Regulations (Rg 11) (S 84/2001)*
- (h) *Central Provident Fund (Approved Housing Schemes) Regulations (Rg 12) (S 335/86)*
- (i) *Central Provident Fund (Ministry of Defence Housing Scheme) Regulations (Rg 13) (S 11/88)*
- (j) *Central Provident Fund (Approved HDB-HUDC Housing Scheme) Regulations (Rg 14) (S 298/87)*
- (k) *Central Provident Fund (Minimum Sum Scheme) Regulations (Rg 16) (S 11/88)*
- (l) *Central Provident Fund (Education Scheme) Regulations (Rg 18) (S 455/89)*
- (m) *Central Provident Fund (Dependants' Protection Insurance Scheme) Regulations (Rg 19) (S 595/2005)*
- (n) *Central Provident Fund (Prescribed Amount for Medisave Account) Regulations (Rg 22) (S 360/2006)*
- (o) *Central Provident Fund (Private Medical Insurance Scheme) Regulations (Rg 26) (S 428/2005)*
- (p) *Central Provident Fund (New Minimum Sum Scheme) Regulations (Rg 31) (S 386/2004)*
- (q) *Central Provident Fund (Dependants' Protection Insurance Scheme — Transfer of Liabilities) Regulations (Rg 32) (S 596/2005)*
- (r) *Central Provident Fund (MediShield Scheme — Transfer of MediShield Plus Liabilities) Regulations (Rg 33) (S 629/2005)*
- (s) *Central Provident Fund (Medisave Account Transfers) Regulations (Rg 34) (S 359/2006)*
- (t) *Central Provident Fund Rules (R 3) (S 42/88)*
- (u) *Central Provident Fund (Minimum Sum Scheme Nominations) Rules (R 8) (S 374/2006)*
- (v) *Central Provident Fund (Restrictions on Withdrawal from Medisave Account) (Exemption) Order (O 6) (S 376/2006)*

- (w) *Central Provident Fund (Modifications to Act for Design-Build-and-Sell Scheme) Order (O 7) (S 504/2006)*
- (4) Parks and Trees Act (Cap 216)
 - (a) *Parks and Trees Regulations (Rg 1) (S 519/2005)*
 - (b) *Parks and Trees (Composition of Offences) Regulations (Rg 2) (S 520/2005)*
 - (c) *Parks and Trees (Heritage Road Green Buffers) Order (O 2) (S 287/2006)*
 - (d) *Parks and Trees (Planting Areas) Notification (N 3) (S 521/2005)*
- (5) Police Force Act (Cap 235)
 - Auxiliary Police Forces (N 1) (S 992/61)*
- (6) Strategic Goods (Control) Act (Cap 300)
 - Strategic Goods (Control) Regulations (Rg 1) (S 4/2004)*
- (7) Trust Companies Act (Cap 336)
 - (a) *Trust Companies (Exemption) Regulations (Rg 1) (S 833/2005)*
 - (b) *Trust Companies (Transitional and Savings Provisions) Regulations (Rg 2) (S 834/2005)*
 - (c) *Trust Companies (Appeals) Regulations (Rg 3) (S 835/2005)*
 - (d) *Trust Companies Regulations (Rg 4) (S 836/2005)*