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TO ALL MEMBERS

TECHNICAL

Direct Taxation

1. [Real Property Gains Tax \(Exemption\) Order 2011 \[P.U. \(A\) 434/2011\]](#)

In [Paragraph 37](#) of the 2012 Budget Speech it was proposed that the RPGT rates on the gains from the disposal of properties commencing from 1 January 2012 be reviewed.

This order exempts any person from the payment of tax on the chargeable gain in respect of any disposal of a chargeable asset on or after 1 January 2012, on the condition that the amount of chargeable gain shall be determined by a formula provided.

Effectively, the order states that the rates of Real Property Gains Tax (RPGT) are as indicated in the table below:

| | Holding Period | RPGT Rates |
|------|---------------------------|-------------------|
| i) | Up to 2 years | 10 % |
| ii) | Exceeding 2 until 5 years | 5 % |
| iii) | Exceeding 5 years | 0 % |

The Real Property Gains Tax Act (Exemption) (No.2) 2009 [P.U. (A) 486/2009] published on 30 December 2009 is revoked.

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