

FACT SHEET ON LAND ACQUISITION (AMENDMENT) BILL

The proposed amendments to the **Land Acquisition Act** will enhance the compensation framework for landowners affected by part-lot acquisitions. It will also improve the efficiency of the land acquisition process. In summary, the amendments will:

i) Revise Application of Betterment Levy

For an owner who has part of his land acquired, there is a provision in the Land Acquisition Act which requires that any increase in the value of his remaining land, be deducted from the compensation he is given for his acquired land (the “betterment levy”). This requirement will be removed¹. Affected landowners will stand to receive better statutory compensation as a result.

ii) Enable the Management Corporation of Strata-Titled Developments to Act on Behalf of Individual Unit Owners in Acquisition of Common Property

When common areas in strata-titled developments are acquired (e.g. carpark lots, grass verges), the Land Acquisition Act requires every unit owner in the development to go through the entire acquisition process (e.g. meet the Collector², engage a valuer and submit claims), even if their own units are not affected. This results in inconvenience to them.

The amendments will enable the Management Corporation of strata-titled developments to act on behalf of the individual unit owners when common property is acquired. This will save time and effort for all parties. Consequential amendments to the Building Maintenance and Strata Management Act will also be made.

iii) Remove Need to Paste Physical Notices for Site Possession

The Land Acquisition Act requires the Collector to post hardcopy notices on the acquired land when possession is being taken. This requirement will be removed. The Collector will continue to notify the owners directly by hand delivery, fax or pre-paid registered post.

¹ There may be cases where compensation is given for impaired use of the landowner’s remaining land as a result of the acquisition. In such cases, the increase in value of his remaining land will be deducted from the compensation.

² The Collector is an officer appointed under the Land Acquisition Act to deal with landowners on compensation issues.

iv) Allow Appeals Board to Direct Costs Against Non-Parties

The amendments will clarify that the Appeals Board has the power to award costs against non-parties. This brings the Act in line with the recent Court of Appeal's ruling³ that the court has the power to make cost orders against non-parties who had materially contributed to the incurring of legal costs.

v) Allow Acquisition of Foreshores

The amendments will also clarify that the Act may be used for the acquisition of foreshores. Foreshores refer to the area which lies under water during high tide and above water during low tide.

About the Land Acquisition Act

The Land Acquisition Act enables the compulsory acquisition of private land for public purposes such as the building of road and rail infrastructure, schools, hospitals and industrial parks. Landowners are paid market value compensation for their acquired land under the Act. The last major amendment to the Act was in 2007.

**MINISTRY OF LAW
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³ Singapore Court of Appeal decision in *DB Trustees (Hong Kong) Ltd v Consult Asia Pte Ltd and another appeal* [2010] 3 SLR 542 (“*DB Trustees*”).