

LAND INTENSIFICATION ALLOWANCE (LIA) - FREQUENTLY ASKED QUESTIONS (FAQs)

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Land and Building

1. What is GPR and GFA and how do I calculate them?

GPR stands for Gross Plot Ratio, which is calculated as GFA divided by the total plot area. GFA refers to Gross Floor Area, which in general refers to covered floor areas of a building, and uncovered areas for commercial uses. There are some exceptions. For more information, please visit URA's website: <https://www.ura.gov.sg/uol/circulars/1993/jul/dc93-18.aspx>

2. What is a QP?

Qualified Persons: refers to professional engineers.

3. What does it mean to increase the building or structure's GPR?

Your renovation works must increase the GFA in relation to the land size.

4. How do I find out what a property's land zoning is?

Please visit URA website: <https://www.ura.gov.sg/maps/> . Key the address into the "search location" box and check the property's color against the legend.

5. What is a Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC)? Where can I find out more about TOP and CSC?

A CSC certifies that all relevant government requirements for building works are met and the building can be occupied. If these cannot be met, you may first apply for a TOP to occupy the building provided that the pre-requisites for TOP can be complied with. Please refer to BCA's website for more details. https://www.bca.gov.sg/TOPCSC/csc_inspection.html

6. We are in a business with an industry GPR benchmark that is higher than the maximum GPR allowed for our plot. Can we still qualify for LIA if we build to the maximum GPR?

Applicants for LIA must comply with all other government requirements, including the maximum gross plot ratio. If your plot does not allow you to reach the LIA GPR benchmark, we regret that you will not qualify for LIA. For further inquiries on the considerations behind your maximum plot ratio, please consult JTC or HDB.

Qualifying Companies and Activities

7. What is an SSIC code and how do I determine what my business's code is?

SSIC stands for the Singapore Standard Industrial Classification, which is a classification system of economic activities. It is developed by the Department of Statistics (DOS). More information is available at DOS' website:

<http://www.singstat.gov.sg/methodologies-standards/statistical-standards-and-classifications/SSIC>

Companies declare their SSIC codes as part of registering with the Accounting and Corporate Regulatory Authority (ACRA). You may refer to ACRA's SSIC Search tool to identify your companies relevant SSIC code.

<https://www.acra.gov.sg/components/templates/SSICCodeSearch.aspx>

8. Can the LIA be apportioned and awarded to a company in the business of trading (SSIC:46900) which builds and apply LIA just for its new production facility?

No, LIA is assessed and awarded on a per plot basis.

9. Many SSIC code descriptions refer to the manufacturing of a product. Can assembly of such products be considered?

Yes.

10. Do spaces for storage count towards the fulfilment of the 80% GFA requirement?

Yes, as long as the storage spaces supports the main business activities being conducted in the building.

11. What happens if applicant can only meet 80% GFA criteria a few years after TOP date?

Applicant is not eligible for LIA incentive.

Qualifying Costs

12. Can administrative costs related to the construction or renovation of the building qualify?

The cost of preparing plans for obtaining approval for the building or structure can qualify. Please refer to the main brochure (section 17) for the list of qualifying costs.

13. Does LIA support the cost of purchasing land or buildings?

No. The LIA incentive only supports the qualifying capital expenditure incurred on the renovation/extension works.

14. Can company claim for bills received after TOP date?

Yes, as long as the construction expenditure was incurred before TOP.

Application Processes and Forms

15. In the Core Form, can we provide less than 5 years' projections?

Please provide your best estimates of projected growth. If you are unable to project growth beyond a certain number of years, you may assume no growth and keep the numbers flat.

16. In the Core Form, how do we account for headcount spending 30% of his/her time on a R&D project? Should he/she be considered as R&D headcount?

Only staff whose primary job function is R&D should be considered as a R&D headcount.

17. We have submitted the LIA application, but there are changes from the GPR we declared. Do we have to resubmit?

Yes.