

## Annex B: Calculation of Rental Waivers

### Basis for Calculation

1. **The amount of rent to be waived is based on the contractual rent as agreed upon under the terms of the lease agreement, including any amount payable that is determined by the gross turnover of any business carried on by the tenant-occupier at the property.** However, it will exclude any maintenance fees and charges for the provision of services such as cleaning and security. Where the amounts of maintenance and/or service charges are not expressly set out in the lease or licence agreement, landlords and tenants are encouraged to jointly determine the amounts to be excluded based on landlords' actual expenses, as supported by the necessary documentation.

2. In an earlier press release dated 3 June 2020, "New Rental Relief Framework for SMEs"<sup>13</sup>, it was stated that the rental waivers would be based on base rent, excluding any Gross Turnover payable, maintenance fees and charges for the provision of services such as cleaning and security. We have reviewed and adjusted the definition after further consideration.

### Offsetting Against Assistance Provided by Landlords

3. Generally, landlords may offset the rental waivers with any financial assistance previously provided to their tenants, such as:

- a. Any payment, or deduction of any amount due under the lease or licence agreement, (i) given by the landlord to the tenant on or after 1 February 2020 but before the date of receipt of the copy of the notice of cash grant by the tenant; or (ii) undertaken by the landlord, before the date the notice of cash grant is issued to the property owner, to be given to the tenant; and/or
- b. Any benefit of the Property Tax Rebate for Year 2020 that has been passed on or is obliged to be passed on by the property owner in respect of the property.

Please note that the property owner is still required to provide any remaining rental waiver after taking into account any offsetting as detailed above.

### Rental Waivers for Intermediary Landlords

4. If the tenant-occupier rents the property through an intermediary landlord, all intermediary landlords will also receive rental waivers in respect of that tenant-occupier for the corresponding period from their immediate landlords, regardless of whether the intermediary landlords meet the eligibility criteria. An intermediary landlord's entitlement to rental waivers is solely dependent on the tenant-occupier's eligibility. More details on the rental waivers that intermediary landlords are entitled to are available at <https://go.gov.sg/rentalrelieffaq>.

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<sup>13</sup> Accessible at <https://www.mlaw.gov.sg/news/press-releases/new-rental-relief-framework-for-smes>.