



Singapore Mortgage Duty: Calculate the Loan Document Cost

Description

A standard Singapore mortgage is charged at 0.

4% of the loan amount, capped at S\$500. Equitable mortgages, variations and transfers use 0. 2%, also capped at S\$500, with duty rounded down to the nearest dollar and a S\$1 minimum.

Start with the document, not the property price

Mortgage duty is a tax on the security document. It is not Buyer's Stamp Duty and it is not calculated from the home's purchase price. Ask the conveyancing lawyer to name the document and the secured amount on the bill. A bank loan of S\$90,500 produces S\$362 at 0.4%. A S\$250,000 loan produces S\$1,000 before the cap, so S\$500 is payable. ([IRAS mortgage duty guide](#))

At 0.4%, the S\$500 cap is reached at a S\$125,000 secured loan. At 0.2%, the cap is reached at S\$250,000. Above those points, a larger loan does not increase the mortgage-duty line. This calculation helps you spot an invoice that applies the uncapped arithmetic or uses the wrong rate.

Situation	What changes
Legal mortgage securing a new loan	Use 0.4% of the loan, capped at S\$500
Equitable mortgage or variation	Use 0.2%, capped at S\$500
Further mortgage for an additional loan	Treat the additional security as a fresh charge
Security is property outside Singapore and signed under hand	Check the stated exemption before assuming duty

Related: [stress-test the wider home-loan budget](#)

Do not merge separate securities

A later additional loan secured by a further mortgage is treated as fresh security. The original duty does not automatically cover every later increase in borrowing. Put each instrument, execution date, secured amount and duty on a separate line before reconciling the legal bill. ([IRAS mortgage duty FAQs](#))

IRAS says the computed duty is rounded down to the nearest dollar, subject to a S\$1 minimum. Do the percentage calculation first, apply the cap, then round. For S\$90,749 at 0.4%, the raw result is S\$362.996 and the payable duty is S\$362, not S\$363.

Example: For a S\$750,000 legal mortgage, 0.4% gives S\$3,000, but the cap reduces the mortgage duty to S\$500. For an S\$80,000 equitable mortgage, 0.2% gives S\$160. These are worked calculations based on the published rates.

Separate duty from registration and legal fees

The mortgage-duty amount can be only one part of the loan-document bill. Registration fees, legal work, searches and bank charges follow different rules. Request an itemised statement so a correct S\$500 duty is not used to mask another unexplained charge.

Loan offers can be amended and a security package may contain more than one instrument. The final executed documents, not an early estimate, control the duty. Reconcile the bank offer, mortgage instrument and lawyer's completion statement before transferring funds.

Related: [understand a different stamp-duty route](#)

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