

LAWS OF MALAYSIA

REPRINT

Act 42

HOUSING LOANS FUND ACT 1971

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HOUSING LOANS FUND ACT 1971

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LAWS OF MALAYSIA

Act 42

HOUSING LOANS FUND ACT 1971

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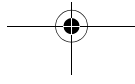
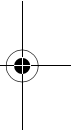
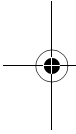
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Act 42

HOUSING LOANS FUND ACT 1971

An Act to authorize sums of money to be raised by way of loan for the purposes of the Housing Loans Fund of the Federation and to make provisions relating to financial procedure governing the Housing Loans Funds of the Federation and the States.

[Throughout Malaysia—3 September 1971]

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I PRELIMINARY

Short title

1. This Act may be cited as the Housing Loans Fund Act 1971.

PART II AUTHORIZATION OF LOAN

Power to raise loans

2. (1) The Minister of Finance is authorized, subject to the provisions of this Act, from time to time to raise in or outside the Federation sums of money for the purposes of the Housing Loans Fund of the Federation.

(2) Sums of moneys raised under this Act may be raised—

- (a) from any source under such arrangements and upon such terms and conditions as the Minister of Finance may impose; and

- (b) through appropriation by way of any grant or transfer of moneys made pursuant to the Development Funds Act 1966 [*Act 406*] from the Development Fund specified in the Second Schedule to the Financial Procedure Act 1957 [*Act 61*] to the Housing Loans Fund of the Federation, subject to such terms and conditions as the Minister of Finance may impose.

Loan to be charged upon the Consolidated Fund

3. The principal moneys raised under this Act together with all interests thereon are charged on the Consolidated Fund.

PART III APPLICATION OF LOAN

Housing Loans Fund

4. Subject to section 4A, there shall be paid into the Housing Loans Fund specified in the Second Schedule to the Financial Procedure Act 1957 (hereinafter referred to as “the Fund”)—

- (a) sums representing the proceeds of loan raised under this Act;
- (b) moneys from time to time appropriated by Parliament for the purposes of the Fund;
- (c) sums representing the repayment of the principal of any loan made under this Act and interests due thereon unless the Minister of Finance authorizes the payment of any such sums to any person pursuant to any arrangement entered into with such person under which any asset paid for out of the moneys of the Fund, or any right or interest derived or arising from the grant of any loans out of the moneys of the Fund, is sold, disposed of or transferred to such person;
- (d) sums representing interest received from investment of moneys of the Fund;
- (e) moneys received from the sale or realization of any assets paid for out of the Fund or from or pursuant to any arrangement entered into any person under which

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any asset paid for out of the moneys of the Fund, or any right or interest derived or arising from the grant of any loans out of the moneys of the Fund, is sold, disposed of or transferred to such person; and

- (f) other moneys received by the Federal Government for the purposes of the Fund.

Minister may authorize payment

4A. Notwithstanding section 4 and the Financial Procedure Act 1957, the Minister of Finance may authorize—

- (a) the payment into the Consolidated Revenue Account in the Federal Consolidated Fund of all or any part of any moneys of the Fund received from or pursuant to any arrangement entered into with any person under which any asset paid for out of the moneys of the Fund, or any right or interest derived or arising from the grant of any loans out of the moneys of the Fund, is sold, disposed of or transferred to such person; and
- (b) the payment to any person of any moneys of the Fund pursuant to any arrangement entered into with such person under which any asset paid for out of the moneys of the Fund, or any right or interest derived or arising from the grant of any loans out of the moneys of the Fund, is sold, disposed of or transferred to such person.

Application of the moneys of the Fund

5. (1) The moneys of the Fund shall be applied and are appropriated for the purpose of granting loans upon such terms and conditions as the Minister of Finance may think fit to any person—

- (a) who is a member of the public services referred to in Article 132 of the Federal Constitution;
- (b) who is a Member of the administration in the Federation or a State as defined in Clause (2) of Article 160 of the Federal Constitution;
- (c) who is a Judge of the Federal Court or High Court;

- (d) who is a member of the Parliamentary Service as defined in section 2 of the Parliamentary Service Act 1963 [*Act 394*];
- (e) who is a member of either House of Parliament;
- (f) who is the Speaker of the Dewan Rakyat;
- (g) who is a member of a State Legislative Assembly;
- (h) who is an employee of any statutory body or local authority;
- (i) who is a spouse of any deceased person (who before his death was eligible, by reason of his being within one of the categories of persons described in paragraphs (a) to (h) of this subsection, for the grant of a loan) as the Minister of Finance may in his discretion decide, but the loan if granted shall not exceed the amount of the loan for which the deceased person was eligible before his death; or
- (j) whom the Minister of Finance may by order in the *Gazette* specify,

to enable or assist such person—

- (aa) to purchase land with or without a dwelling house thereon;
- (bb) to construct a dwelling house and road as a means of access thereto; or
- (cc) to settle the whole or part of a debt or debts incurred in a purchase of land, with or without a dwelling house thereon, or in the construction of a dwelling house and road as a means of access thereto, prior to the granting of the loan.

(2) Subject to Clause (7) of Article 125 of the Federal Constitution, a person concurrently holding two or more posts or offices described in subsection (1) shall be eligible to apply for a loan in respect of one post or office only, and a person who has been granted a loan under subsection (1) shall not be eligible to apply for another loan under that subsection in respect of any other post or office he may subsequently hold.

(3) Nothing in subsection (2) shall be construed as precluding a person who has been granted a loan from obtaining—

- (a) the balance of the amount for which he is eligible; or

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- (b) the balance of the amount for which he may become eligible as a result of any change of post or office.

(4) A person who is eligible to apply for a loan from a State Government, statutory body or local authority that operates its own housing loans scheme shall not be eligible for a loan under subsection (1).

Repayment of loan

6. (1) Notwithstanding subsection 13(2) of the Financial Procedure Act 1957—

- (a) sums representing the proceeds of loan raised under the provisions of this Act together with interests due thereon shall, subject to paragraph (b), be repaid out of the Fund; and
- (b) the Minister of Finance may authorize the payment of such portion as he may determine of the interest due in paragraph (a) out of the Consolidated Fund.

(2) If the moneys standing to the credit of the Fund are insufficient to repay the whole sum raised or part thereof together with interests due thereon, the Minister of Finance shall appropriate out of the Consolidated Fund and repay the sum outstanding together with interest due thereon.

Minister may issue directions

7. The Minister of Finance may issue directions, not inconsistent with this Act, as to the management and operation of the Fund.

PART IV

STATE HOUSING LOANS FUND

State Housing Loans Fund

8. (1) Part III of this Act shall have application in respect of the Housing Loans Fund of a State as they have application in respect of the Housing Loans Fund specified in the Second Schedule to the Financial Procedure Act 1957, and references in that Part to the Housing Loans Fund specified in the said Second Schedule shall be construed accordingly.

(2) In relation to the application of Part III of this Act to the Housing Loans Fund of a State as aforesaid—

- (a) references in that Part specified in the first column of the Schedule to this Act shall be construed as references specified in the corresponding second column of the said Schedule;
- (b) paragraphs 5(1)(c), (d), (e) and (f) shall not apply.

PART V
GENERAL

Repeal

9. The Emergency (Essential Powers) Ordinance No. 48 1970 [*P.U.(A)301/1970*] is repealed.

SCHEDULE

[Section 8]

References in Part III	Construction in relation to the application of Part III to the Housing Loans Fund of a State
1. Federal	State
2. Parliament	Legislative Assembly
3. Minister of Finance			Menteri Besar or Chief Minister of a State, and in the case of Sabah, the Minister charged with the responsibility for finance in that State
4. Member of the public services (other than the public service of a State)			Member of the public service of a State

Housing Loans Fund

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|---|-----|-----|---|
| References in Part III | ... | ... | Construction in relation to the application of Part III to the Housing Loans Fund of a State |
| 5. Sums representing the proceeds of loan raised under the provisions of this Act | | | Sums representing the proceeds of loan raised under the authority of State law for the purposes of the Fund |
| 6. Subsection 13(2) of the Financial Procedure Act 1957 | | | Subsection 27(2) of the Financial Procedure Act 1957 |
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LIST OF AMENDMENTS

Amending law	Short title	In force from
Act A326	Housing Loans Fund (Amendment) Act 1976	03-09-1971
Act 160	Malaysian Currency (Ringgit) Act 1975	29-08-1975
Act A438	Housing Loans Fund (Amendment) Act 1978	19-05-1978; s. 4(c): 03-09-1971
Act A453	Development Funds and Housing Loans Fund (Amendment) Act 1979	s. 2 & 3: 01-01-1978; s. 4: 03-09-1971
Act A780	Housing Loans Fund (Amendment) Act 1990	01-07-1980
Act A885	Constitution (Amendment) Act 1994	24-06-1994
Act A1225	Housing Loans Fund (Amendment) Act 2004	01-09-2004

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HOUSING LOANS FUND 1971

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
Long title	Act A438	19-05-1978
2	Act A438	19-05-1978
	Act A453	01-01-1978
4	Act A1225	01-09-2004
4A	Act A1225	01-09-2004
5	Act A326	03-09-1971
	Act A438	19-05-1978 except s.5(iv) 03-09-1971
	Act A453	03-09-1971
	Act A780	01-07-1980
8	Act A326	03-09-1971
	Act A438	19-05-1978
