



**DREW & NAPIER**

**Court of Appeal  
Clarifies Law on  
Resulting Trusts and  
Illegality in 99-1  
Property  
Arrangements**

*Wong Mei Lee Millie v Ngor  
Shing Rong Jake [2026] SGCA 27*

**26 May 2026**

**LEGAL  
UPDATE**

# In this Update

In *Wong Mei Lee Millie v Ngor Shing Rong Jake* [2026] SGCA 27, the Court of Appeal granted an appeal against the trial judge's decision that a resulting trust arose over the property.

The Court of Appeal clarified the analytical approach to resolving trust disputes. The first step is to consider the transferor's intention, and the presumption of resulting trust is an evidential tool of last resort. The Court of Appeal considered that a 99-1 arrangement involving a trust over property may give rise to illegality in certain scenarios.

Director Terence Tan and Associate Director Zachary Tong successfully acted for the Appellant.

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## INTRODUCTION

In *Wong Mei Lee Millie v Ngor Shing Rong Jake* [2026] SGCA 27, the Court of Appeal granted an appeal against the trial judge's decision that a resulting trust arose over the property.

The Court of Appeal emphasised that the presumptions of resulting trust and advancement are tools of last resort. The first step must be to analyse the evidence of the transferor's intention. In modern times it will be rare that such evidence on intention will be unavailable.

The Court of Appeal also considered illegality in the context of 99-1 arrangements as a method of purchasing two residential properties without incurring Additional Buyer's Stamp Duty ("**ABSD**"). Where this does not involve a trust structure, the Court of Appeal declined to provide a definitive view.

However where a trust over the first property is involved, illegality may arise in two scenarios either at the second stage of "decoupling" (ie when one co-owner transfers his/her share of the first property to the other co-owner) or at the last stage of buying the second property.

## BACKGROUND

The Appellant ("**Ms Wong**") and the Respondent ("**Mr Ngor**") met in mid-2018 and entered into a romantic relationship shortly thereafter. They exercised an option to purchase a condominium unit in Hillcrest Arcadia ("**Property**") on 19 December 2019 and registered the Property 99:1 in Ms Wong's favour. Ms Wong and Mr Ngor broke up in November 2020, and Mr Ngor sued Ms Wong in the High Court seeking a declaration of his beneficial ownership.

The High Court allowed Mr Ngor's claim and declared that Ms Wong held 54.22% of the Property on trust for Mr Ngor.

Ms Wong appealed against the High Court's decision. The Court of Appeal allowed Ms Wong's appeal and held that:

1. the "*clear intention of the parties was that they would legally and beneficially own the Property in accordance with their registered interests*";
2. therefore, no resulting trust arose; and
3. in the alternative, the "*illegality contemplated by [Mr Ngor] at the time the Property was acquired would have been tax evasion*". The doctrine of illegality would have been an "*independent basis for denying [Mr Ngor's] claim*".

The Court of Appeal's judgment provides clarity on the framework for resolving trust claims (as set out in *Chan Yuen Lan v See Fong Mun* [2014] 3 SLR 1048 ("**Chan Yuen Lan**")), including the proper analytical sequence to assess the evidence, and on the important issue of 99-1 arrangements to avoid incurring ABSD which are commonly utilised by couples in Singapore.

## **PRESUMPTIONS OF RESULTING TRUST AND ADVANCEMENT**

The Court of Appeal referred to the framework in *Chan Yuen Lan* and the four scenarios in *Khoo Phaik Ean Patricia v Khoo Phaik Eng Katherine* [2025] 1 SLR 758 and reiterated that where a resulting trust is alleged, the "*most critical question ... is the intention of the transferor*" at the time of the transfer or registration of the property.

The Court of Appeal noted that the presumptions of resulting trust and advancement "*operate as evidentiary tools*", but that such a label "*does not explain how they should be applied or how their application impacts the analysis of the evidence in relation to the transferor's intention*". The Court of Appeal further noted that cases "*have not applied the presumptions clearly or consistently*".

### **KEYPOINT**

*In modern times, it will be rare that evidence on the transferor's intention will be unavailable*

After considering the historical origins of the presumptions as well as past cases and secondary materials discussing the presumptions, the Court of Appeal held that the first step "*must be to analyse the evidence of the transferor's intention*". The court must evaluate the "*relevance, reliability, credibility, and persuasiveness of the evidence*" no matter how challenging such an exercise may be, and no matter whether the evidence is "*biased, uncorroborated, contradictory, or difficult to comprehend*".

It is only where there is "*no or insufficient evidence of the transferor's intention*" that the court may have recourse to the presumptions. The presumptions are therefore "*tools of last resort*".

The Court of Appeal noted that "*in modern times, it will be rare that such evidence on intention will be unavailable*". Where a transferor is "*available to give direct evidence of his intention, it is difficult to conceive when the application of the presumptions will be necessary*". Even where the transferor is "*deceased or unable to give evidence, contemporaneous*

*documentary evidence will likely exist to shed light on [the transferor's] intentions at the material time".*

## KEYPOINT

*Where a transferor is available to give direct evidence of his intention, it is difficult to conceive when the application of the presumptions will be necessary. Even where the transferor is deceased or unable to give evidence, contemporaneous documentary evidence will likely exist to shed light on the transferor's intentions*

The Court of Appeal further clarified that there is an important difference between applying the presumptions before or after the evidence is evaluated. This is because applying the presumptions at the start shifts the evidential burden to the other party to rebut the presumption. In contrast, applying the presumption as a last resort results in "*the transferor-claimant bear[ing] the evidential burden from the start to prove that he did not intend to benefit the transferee-defendant with his financial contributions. This will require the transferor-claimant to adduce sufficient evidence to discharge or at least shift the evidential burden*".

The Court of Appeal held that there should be no recourse to presumptions in the present case because the evidence was "*sufficient to reveal the parties' actual intentions as to the ownership of the Property*".

On the facts, the Court of Appeal found that parties "*intended for the 99:1 ratio to reflect their legal and beneficial ownership of the Property*". The Court of Appeal accepted the Appellant's evidence and found that the Respondent's evidence was inconsistent, unreliable, and illogical.

### **ILLEGALITY IN 99:1 PROPERTY ARRANGEMENTS**

Although not strictly necessary to consider given the Court of Appeal's finding that no resulting trust arose on the facts, the Court of Appeal went on to consider whether, even if there was a resulting trust, such a resulting trust would be unenforceable for illegality.

As described by the Court of Appeal, a 99:1 arrangement which enables co-owners to purchase two residential properties without incurring ABSD operates in three stages:

1. First, the co-owners purchase the first property in a 99:1 ratio to allow them to “*obtain housing loans in both their names and to access both their CPF moneys to finance the purchase*”;
2. Second, the co-owners “*decouple their interests in the first property. The 1% owner (“X”) transfers his 1% share to the 99% owner (“Y”), and the parties pay stamp duty on that 1% transfer*”; and
3. Third, X (who no longer retains an interest in the first property) purchases a second property in his name without incurring ABSD.

The Court of Appeal noted that the 99:1 arrangement “*does not require the use of a trust structure in relation to either property purchased*”. The Court of Appeal declined to provide a definitive view on whether such a 99-1 arrangement without a trust structure amounts to “*avoidance of ABSD*”.

However, where the 99:1 arrangement involves a trust over the first property, under-stamping and tax evasion can manifest in two different scenarios:

1. In the first scenario, “*X transfers his entire beneficial interest to Y but represents to the authorities that only his 1% interest is being transferred, so that stamp duty is levied on only that 1% interest*”. X must know of his larger beneficial interest in order to transfer it, and this therefore constitutes both under-stamping and tax evasion at the decoupling stage. As X no longer has any interest in the first property, there is no under-stamping or tax evasion when he purchases a second property without incurring ABSD.
2. In the second scenario, “*X transfers only a 1% share of the property to Y and pays stamp duty on the transfer of that 1% share*”. The correct amount of stamp duty is paid, so there is no under-stamping or tax evasion at the decoupling stage. However, X still retains a beneficial interest in the first property (less the 1% transferred). When X buys a second property and falsely represents to the authorities that he does not have any interest in the first property, he thereby commits: (a) under-stamping where he was ignorant of his beneficial interest in the first property; or (b) tax evasion where he knew of his beneficial interest in the first property but fraudulently conceals it when purchasing the second property.

The Court of Appeal held that on the facts, if Mr Ngor did not intend to benefit Ms Wong with his financial contributions or for her to own 99% of the Property, he must have intended to have (and knew that he had) an interest in the Property larger than his 1% registered interest. The logical corollary is that Mr Ngor knew he would “*continue to retain an interest in the Property after he transfers his 1% interest to [Ms Wong]*”, which “*points to a paradigm case of tax evasion*”.

The Court of Appeal also clarified that their comment in *Ting Siew May v Boon Lay Choo* [2014] 3 SLR 609 that “*any abandonment of an original unlawful intention can be taken into account only if there was an ignorance of the unlawfulness of the intention in the first place*” was meant to refute the respondents’ argument in that specific case. The Court of Appeal did not endorse such an abandonment as an “*exception*”.

In weighing the illegality against the consequences of denying the claim, the Court of Appeal held that “*where the illegal purpose in question involves dishonesty, it would be extremely rare that the financial consequences of denying a claim would outweigh the gravity of the illegality*”.

In the circumstances, the Court of Appeal held that even if there was a resulting trust, the issue of illegality would have been an independent basis for denying Mr Ngor’s claim.

## KEYPOINT

*Where the illegal purpose in question involves dishonesty, it would be extremely rare that the financial consequences of denying a claim would outweigh the gravity of the illegality*

## COMMENTARY

This case makes clear that purchasers of property should not register property in 99-1 shares to save on ABSD if they do not truly intend their beneficial ownership to be 99-1. If they do so, the 1% purchaser runs the risk of losing a substantial part of his contributions to the purchase.

The Court of Appeal’s decision in this case also provides significant clarity on various aspects of the law.

Prior to this decision, cases have not applied the presumptions of resulting trust or advancement clearly or consistently. The Court of Appeal’s judgment has emphasised that the proper approach is to first analyse the evidence of the transferor’s intention and only apply the presumptions where there is no or insufficient evidence of such intention.

This is notwithstanding the presumption of resulting trust appearing to be the first step in the *Chan Yuen Lan* analytical framework.

Further, the Court of Appeal made clear that in modern times, it would be rare for evidence of intention to be unavailable, such that the presumptions of resulting trust and advancement are only evidential tools of last resort.

This makes clear that any party seeking to argue a resulting trust cannot simply rely on the presumption of resulting trust without adducing sufficient evidence of the parties' actual intentions. It is extremely important for parties arguing a resulting trust to review the relevant documents and evidence carefully.

The Court of Appeal's judgment also helpfully clarifies how illegality may arise in 99:1 arrangements. The potential illegality of 99-1 arrangements has been a recent hot topic.

This decision makes clear that 99:1 arrangements involving a trust over the first property may give rise to illegality in the form of under-stamping and/or tax evasion, depending on the exact scenario. Even though the framework on illegality allows the court to consider whether disallowing the claim is proportionate, dishonesty in the form of tax evasion is serious and the financial consequences of denying a claim would rarely outweigh the gravity of the illegality.

Finally, the Court of Appeal has left open the question of whether 99:1 arrangements which do not involve trust structures amount to the avoidance of ABSD. Such 99-1 arrangements are common. While there is reason to argue that a plain 99-1 arrangement would not constitute tax evasion because all aspects of the transactions are above board, the exact legality of such arrangements remains unresolved.

This case has far-reaching implications for parties who own or plan to register properties in a 99:1 arrangement to save ABSD, or who have already done so and are currently involved in a dispute.

Anyone potentially affected or involved in disputes relating to 99-1 property transactions should seek legal advice. The authors of this update, Director Terence Tan and Associate Director Zachary Tong, acted for the successful appellant in this matter.

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