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Notification No. B 19 — The Goods and Services Tax (Amendment) Bill is hereby published for general information. It was introduced in Parliament on the 28th day of August 2003.

Goods and Services Tax (Amendment) Bill

Bill No. 19/2003.

Read the first time on 28th August 2003.

A BILL

i n t i t u l e d

An Act to amend the Goods and Services Tax Act (Chapter 117A of the 2001 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1.—(1) This Act may be cited as the Goods and Services Tax (Amendment) Act 2003 and shall, with the exception of section 4, come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) Section 4 shall be deemed to have come into operation on 1st July 2003.

Amendment of section 12

2. Section 12(8) of the Goods and Services Tax Act (referred to in this Act as the principal Act) is amended by deleting the words “sections 37A” in paragraph (d) and substituting the words “sections 27, 37A”.

Amendment of section 20

3. Section 20(2) of the principal Act is amended by inserting, immediately after paragraph (a), the following paragraph:

“(aa) supplies permitted to be made under section 27 or regulations made under section 27 without payment of the tax chargeable on the supplies;”.

Amendment of section 21

4. Section 21(3) of the principal Act is amended by deleting paragraph (r) and substituting the following paragraph:

“(r) services supplied in relation to a trust, where the services and the person supplying the services satisfy such conditions as may be prescribed; or”.

Repeal and re-enactment of section 27

5. Section 27 of the principal Act is repealed and the following section substituted therefor:

“Importation and supply of goods by taxable persons

27.—(1) The Minister may by regulations permit —

(a) goods imported by any taxable person in the course or furtherance of any business carried on by him to be —

- (i) delivered or removed without payment of the tax chargeable on the importation; or
 - (ii) delivered or removed, and supplied to any other person, without payment of the tax chargeable on the importation or on the supply; and
- (b) the tax chargeable on the importation to be accounted for together with the tax chargeable on the supply of goods or services by the taxable person.
- (2) Regulations made in relation to subsection (1)(a)(ii) may require the person to whom the goods are supplied to account for the tax on the supply to him as if he had himself imported the goods in the course or furtherance of his business, and for such tax to be accounted for together with the tax chargeable on the supply of goods or services by him.
- (3) Any import or supply of goods referred to subsection (1) or (2) shall be subject to such conditions or restrictions as the Comptroller may impose for the protection of revenue.”.

Amendment of section 28

6. Section 28 of the principal Act is amended by deleting subsection (1) and substituting the following subsection:

“(1) This Act shall apply in relation to taxable supplies made by the Government in the course or furtherance of a business (other than such taxable supplies as the Minister may, by order in the *Gazette*, prescribe) as it applies in relation to taxable supplies made by a taxable person in the course or furtherance of a business.”.

Amendment of section 43

7. Section 43 of the principal Act is amended by deleting subsection (2) and substituting the following subsection:

“(2) Any provision in this Act relating to tax invoices shall be treated as complied with by the production by means of a computer of any material other than a document in writing, by delivering any such material so produced or by making any such transmission as is mentioned in subsection (1) where the person producing or delivering the material or making the transmission and, in the case of delivered

material or a transmission, the person receiving it has complied with such requirements as may be imposed by the Comptroller from time to time.”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Goods and Services Tax Act (Cap. 117A).

Clause 1 relates to the short title and commencement.

Clause 2 makes a consequential amendment to section 12(8)(d) arising out of the repeal and re-enactment of section 27 by clause 5.

Clause 3 makes a consequential amendment to section 20(2) arising out of the repeal and re-enactment of section 27 by clause 5.

Clause 4 amends section 21(3)(r) to clarify that the trustee services which may be prescribed for purposes of zero-rating include services provided to a trust by a person other than the actual trustee.

Clause 5 repeals and re-enacts section 27 to empower the Minister to make regulations to permit certain imported goods to be delivered or removed, and supplied by the importer to certain persons without payment of tax on the importation or the supply, and for matters relating thereto. This power is in addition to the existing power of the Minister to make regulations relating to the delivery or removal of certain imported goods without payment of tax on the importation.

Clause 6 amends section 28(1) to provide that the Act is to apply to taxable supplies made by the Government in the course or furtherance of a business, other than such supplies as the Minister may, by order in the *Gazette*, prescribe.

Clause 7 amends section 43(2) to remove the requirement of approval of the Comptroller of Goods and Services Tax for the issue of computer-generated invoices, before such invoices may be treated as tax invoices for the purposes of the Act.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
