

GOODS AND SERVICES TAX ACT

(CHAPTER 117A)

GOODS AND SERVICES TAX (GENERAL) REGULATIONS

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**GOODS AND SERVICES TAX
(GENERAL) REGULATIONS**

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[20th December 1993]

PART I
PRELIMINARY

Citation

1. These Regulations may be cited as the Goods and Services Tax (General) Regulations.

Definitions

2. In these Regulations, unless the context otherwise requires —
- “prescribed accounting period” means such period as is prescribed in regulation 52;
- “registered person” means a person registered by the Comptroller under the First Schedule to the Act;
- “registered taxable person” means such a person while he is also a taxable person;
- “registration number” means the number allocated by the Comptroller to a person in the certificate of registration issued to him;
- “tax fraction” means the fraction calculated in accordance with the following formula:

$$\frac{A}{100 + A}$$

where A is 3 or such other rate of tax as may later be specified in section 16 of the Act.

PART II
REGISTRATION

Group registration

3.—(1) Where 2 or more taxable persons are eligible to be treated as members of a group under regulation 4, the taxable persons may apply in writing to the Comptroller to be treated as members of a

group under section 30 of the Act and they shall, in that application, nominate a representative member.

(2) Where the Comptroller has approved 2 or more taxable persons to be treated as members of a group, an application may be made in writing to the Comptroller for —

- (a) a further taxable person eligible to be so treated to be included among the taxable persons so treated;
- (b) a taxable person to be excluded from the taxable persons so treated;
- (c) another member of the group to be substituted as the representative member; or
- (d) the taxable persons to cease to be treated as members of a group.

(3) An application under paragraph (1), (2) (a) or (c) must be made not less than 90 days before the date from which it is to take effect, or such later time as the Comptroller may allow.

(4) The Comptroller may, in his discretion, approve an application made under paragraph (1) or (2) and impose such conditions as he may think fit.

(5) The Comptroller may refuse an application made under paragraph (1) or (2) or to register the member nominated by the taxable persons as a representative member if he thinks it necessary for the protection of the revenue.

Eligibility to register as group

4.—(1) Two or more taxable persons are eligible to be treated as members of a group if each of them falls within paragraph (2) and —

- (a) one of them controls each of the others;
- (b) one person (whether a body corporate or an individual) controls all of them; or
- (c) 2 or more individuals carrying on a business in partnership control all of them.

(2) A taxable person falls within this paragraph if he is resident in Singapore or he has an established place of business in Singapore.

(3) For the purposes of this regulation —

- (a) a body corporate shall be taken to control another body corporate if it is that body's holding company;
- (b) an individual or individuals shall be taken to control a body corporate if he or they, were he or they a company, would be that body's holding company; and
- (c) whether a body corporate is the holding company of another body corporate shall be construed in accordance with section 5 of the Companies Act (Cap. 50).

Input tax claim by members of group

5.—(1) The Comptroller may, if he thinks it necessary for the protection of the revenue, reduce or disallow credit for any amount of input tax claimed by the members of a group where that amount of input tax would otherwise not have been attributable to taxable supplies if the application to be treated as members of a group under regulation 3 had not been allowed.

(2) Where an approval has been granted or a direction made by the Comptroller under regulation 30 for the use by any member of the group of a method other than that specified in regulation 29, the Comptroller may approve or direct the use of that method or another method under regulation 30 by all the members of the group.

Termination of group registration

6. The Comptroller may, by notice given to a taxable person, terminate the treatment of that taxable person as a member of a group from such date as may be specified in that notice if he is satisfied that —

- (a) the taxable person has at any time ceased to satisfy any of the requirements for eligibility under regulation 4;
- (b) the taxable person has failed to comply with any condition or requirement imposed by the Comptroller under regulation 3 (4);
- (c) the taxable person has provided any false, misleading or inaccurate declaration or information in his application under regulation 3; or
- (d) it is necessary for the protection of the revenue.

Divisional registration

7.—(1) Where the business of a taxable person is carried on in one or more divisions, that taxable person may apply in writing to the Comptroller for any such divisions to be registered in the names of those divisions.

(2) The Comptroller may, in his discretion, approve an application made under paragraph (1) subject to such conditions or requirements as he may think fit to impose if he is satisfied that —

- (a) it is likely to cause real difficulty for the taxable person to submit a single return in respect of all the divisions but for the separate registration under this regulation;
- (b) each such division maintains an independent system of accounting;
- (c) each such division is separately identifiable by reference to the nature of the activities carried on by or the location of the division; and
- (d) each such division has the same prescribed accounting period.

Cancellation of registration

8.—(1) The Comptroller may, at any time by notice in writing to the taxable person, cancel the registration approved under regulation 7 in respect of any or all of the divisions if he is satisfied that —

- (a) the taxable person has failed to comply with any condition or requirement imposed by the Comptroller under regulation 7;
- (b) any of the conditions referred to in regulation 7 (2) has ceased to apply;
- (c) the taxable person has provided any false, misleading or inaccurate declaration or information in his application under regulation 7; or
- (d) it is necessary for the protection of the revenue.

(2) Where the Comptroller cancels the registration in accordance with paragraph (1), it shall have effect from the date of the cancellation or from such later date as may be agreed between the Comptroller and the taxable person.

(3) Subject to paragraphs (4) and (5), the taxable person may apply in writing to the Comptroller for any division separately registered under regulation 7 to cease to be so registered, and the Comptroller may cancel that separate registration with effect from the date of application or from such later date as may be agreed between the Comptroller and the taxable person.

(4) Subject to paragraph (5), a taxable person registered under regulation 7 shall remain so registered for a period of not less than 2 years or such other shorter period as the Comptroller may determine.

(5) The Comptroller may refuse to cancel the registration under regulation 7 where the Comptroller thinks it necessary for the protection of the revenue.

Representation of club, association, society or organisation

9. Where anything is required to be done by or under the Act by or on behalf of a club, association, society, management corporation or organisation, the affairs of which are managed by its members or a committee or committees of its members, it shall be the joint and several responsibility of —

- (a) every member holding office as president, chairman, treasurer, secretary or any similar office, or in default of any thereof;
- (b) every member holding office as a member of a committee, or in default of any thereof; and
- (c) every member,

except that if it is done by any official, committee member or member referred to in this regulation, that shall be sufficient compliance with any such requirement.

PART III

TAX INVOICES

Obligation to provide tax invoice

10.—(1) Except as otherwise provided in these Regulations, or as the Comptroller may otherwise allow, a registered taxable person making a taxable supply to a taxable person shall provide him with a tax invoice.

(2) The particulars of the tax chargeable on a supply of goods described in paragraph 6 of the Second Schedule to the Act shall be provided, on sale by auction, by the auctioneer, and where the sale is otherwise than by auction, by the person selling the goods, on a document containing the particulars prescribed in regulation 11 (1).

(3) Any document issued to the buyer under paragraph (2) shall be treated for the purposes of paragraph (1) as a tax invoice provided by the person by whom the goods are deemed to be supplied in accordance with paragraph 6 of the Second Schedule to the Act.

(4) Where a registered taxable person provides a document to himself which purports to be a tax invoice in respect of a supply of goods or services to him by another registered taxable person, that document may, with the approval of the Comptroller, be treated as the tax invoice required to be provided by the supplier under paragraph (1).

(5) The documents specified in this regulation shall be provided within 30 days after the time when the supply is treated as taking place under sections 11 and 12 of the Act or these Regulations, or within such longer period after that time as the Comptroller may allow.

Contents of tax invoice

11.—(1) Subject to regulation 13 and except as the Comptroller may otherwise allow, a registered taxable person providing a tax invoice in accordance with regulation 10 or any other regulations made under the Act, shall state thereon the following particulars:

- (a) the words “tax invoice” in a prominent place;
- (b) an identifying number;
- (c) the date of issue of the invoice;
- (d) the name, address and registration number of the supplier;
- (e) the name and address of the person to whom the goods or services are supplied;
- (f) a description sufficient to identify the goods or services supplied and the type of supply;
- (g) for each description, the quantity of the goods or the extent of the services and the amount payable, excluding tax;
- (h) any cash discount offered;

- (i) the total amount payable excluding tax, the rate of tax and the total tax chargeable shown as a separate amount;
- (j) the total amount payable including the total tax chargeable; and
- (k) any amount referred to in sub-paragraphs (i) and (j), expressed in a currency, other than Singapore currency, shall also be expressed in Singapore currency in accordance with paragraph 11 of the Third Schedule to the Act.

(2) Where a taxable supply takes place as described in section 11 (2) (c) or 12 (2) of the Act, any consignment or delivery note or similar document or any copy thereof issued by the supplier before the time of supply shall not, notwithstanding that it may contain all the particulars set out in paragraph (1), be treated as a tax invoice provided it is so endorsed.

(3) Where a registered taxable person provides an invoice containing the particulars prescribed in paragraphs (1) and (2) and specifies thereon any goods or services which are the subject of an exempt or zero-rated supply he shall, unless the Comptroller otherwise determines, distinguish on the invoice between the goods or services which are the subject of an exempt, zero-rated or other supply and state separately the gross total amount payable in respect of each.

Change of rate and credit notes

12. Where there is a change in the rate of tax in force under section 16 of the Act, or in the descriptions of exempt or zero-rated supplies and a tax invoice which relates to a supply in respect of which an election is made under section 39 of the Act was issued before the election was made, the person making the supply shall, within 14 days after any such change, provide the person to whom the supply was made with a credit note so headed and containing the following particulars:

- (a) the identifying number and date of issue of the credit note;
- (b) the name, address and registration number of the supplier;
- (c) the name and address of the person to whom the supply is made;
- (d) the identifying number and date of issue of the tax invoice;
- (e) a description sufficient to identify the goods or services supplied; and

(f) the amount being credited in respect of tax.

Simplified invoices

13.—(1) Except as the Comptroller may otherwise allow and subject to paragraph (2), where a registered taxable person provides a tax invoice in accordance with regulation 10 and the amount payable stated in the tax invoice, including tax, does not exceed \$1,000, the tax invoice need contain only the following particulars:

- (a) the name, address and registration number of the registered taxable person;
- (b) the date of issue of the invoice;
- (c) a description sufficient to identify the goods or services supplied; and
- (d) the total amount payable including the total tax chargeable.

(2) Except as the Comptroller may otherwise allow, where a registered taxable person provides an invoice in accordance with this regulation, the invoice shall include only particulars of supplies which are subject to the same rate of tax and shall not contain any reference to any zero-rated or exempt supply.

General

14. Regulations 10,11 (1) and (2), 12 and 13 shall not apply to —

- (a) any zero-rated supply;
- (b) any supply to which regulations made under section 19 (14) of the Act apply;
- (c) any supply on which tax is charged although it is not made for consideration; or
- (d) any supply to which regulations in Part XI (made under section 23 of the Act) apply.

PART IV

TIME OF SUPPLY

Goods for private use and free supplies of services

15. Where the services referred to in paragraph 5 (3) of the Second Schedule to the Act are supplied for any period, they shall be treated

as being supplied on the last day of the supplier's prescribed accounting period, or of each such accounting period, in which the goods are made available or used.

Licence, tenancy and lease

16.—(1) Subject to paragraph (2), where the grant of a licence, tenancy or lease is a supply of goods under paragraph 4 of the Second Schedule to the Act, and the whole or part of the consideration for that grant is payable periodically or from time to time, goods shall be treated as separately and successively supplied at the earlier of the following times:

- (a) whenever a part of the consideration is received; or
- (b) whenever the supplier issues a tax invoice relating to the grant.

(2) Where in respect of the grant of a licence, tenancy or lease referred to in paragraph (1), the supplier, at or about the beginning of any period not exceeding 3 years, issues a tax invoice containing, in addition to the particulars specified in regulation 11, the following particulars:

- (a) the date on which any part of the consideration is to be become due for payment in the period;
- (b) the amount payable (excluding tax) on each such date; and
- (c) the rate of tax in force at the time of the issue of the tax invoice and the amount of tax chargeable in accordance with that rate on each of such payments,

goods shall be treated as separately and successively supplied whenever a payment in respect of the licence, tenancy or lease becomes due or is received, whichever is the earlier.

(3) Where, on or before the date that a payment is due as stated on an invoice issued as described in paragraph (2), there is a change in the tax chargeable on supplies of the description to which the invoice relates, that invoice shall cease to be treated as a tax invoice in respect of any such supplies for which payments are due after the change.

Supplies of power, electricity, gas or water, etc.

17.—(1) Subject to paragraph (2), a supply of any form of power (including electricity), gas (excluding gas supplied in cylinders), water,

light, heat, refrigeration, air-conditioning, ventilation, telephone, telex, telepac and similar telecommunication services, shall be treated as taking place whenever a payment in respect of the supply is received, or a tax invoice relating to the supply is issued by the supplier, whichever is the earlier.

(2) Where the whole or part of the consideration for a supply referred to in paragraph (1) is determined or payable periodically or from time to time, the goods or services shall be treated as separately and successively supplied at the earlier of the following times:

- (a) whenever a part of the consideration is received; or
- (b) whenever the supplier issues a tax invoice relating to the supplies.

Supplier's goods in possession of buyer

18.—(1) Where goods are supplied under an agreement whereby the supplier retains the property therein until the goods or part of them are appropriated under the agreement by the buyer and in circumstances where the whole or part of the consideration is determined at that time, a supply of any of the goods shall be treated as taking place at the earlier of the following dates:

- (a) the date when a tax invoice is issued by the supplier; or
- (b) the date when a payment is received by the supplier.

(2) Paragraph (1) shall not apply to a supply such as is mentioned in section 11 (2) (c) of the Act.

Retention payments

19. Where any contract for the supply of goods or services after 1st April 1994 provides for the retention of any part of the consideration by one party pending full and satisfactory performance of the contract, or any part of it, by the other party, a supply shall be treated as taking place whenever a payment is received in respect of it, or a tax invoice is issued by the supplier, whichever is the earlier.

Continuous supplies of services

20.—(1) Subject to paragraph (2), where services are supplied for a period for a consideration the whole or part of which is determined

or payable periodically or from time to time, they shall be treated as separately and successively supplied at the earlier of the following times:

- (a) whenever a payment in respect of the supplies is received; or
- (b) whenever the supplier issues a tax invoice relating to the supplies.

(2) Where such separate and successive supplies of services referred to in paragraph (1) are made under an agreement which provides for successive payments, and the supplier at or about the beginning of any period not exceeding 12 months, issues a tax invoice containing, in addition to the particulars specified in regulation 11, the following particulars:

- (a) the dates on which payments under the agreement are to become due in the period;
- (b) the amount payable (excluding tax) on each such date; and
- (c) the rate of tax in force at the time of issue of the tax invoice and the amount of tax chargeable in accordance with that rate on each of such payments,

the services shall be treated as separately and successively supplied whenever a payment in respect of them becomes due or is received, whichever is the earlier.

(3) Where, on or before any of the dates that a payment is due as stated on an invoice issued under paragraph (2), there is a change in the tax chargeable on supplies of the description to which the invoice relates, that invoice shall cease to be treated as a tax invoice in respect of any such supplies for which payments are due after the change.

Royalties and similar payments

21. Where the whole amount of the consideration for a supply of services was not ascertainable at the time when the services were performed and subsequently the use of the benefit of those services by a person other than the supplier gives rise to any payment of consideration for that supply which is —

- (a) in whole or in part determined or payable periodically or from time to time or at the end of any period;
- (b) additional to the amount, if any, already payable for the supply; and

(c) not a payment to which regulation 20 applies, a further supply shall be treated as taking place each time when a payment in respect of the use of the benefit of those services is received, or a tax invoice is issued by the supplier, whichever is the earlier.

Supplies in construction industry

22. Where goods or services are supplied in the course of the construction, alteration, demolition, repair or maintenance of a building or of any engineering work under a contract which provides for payments for such supplies to be made periodically or from time to time, a supply shall be treated as taking place at the earlier of the following times:

- (a) when a payment is received by the supplier where the consideration for the contract is wholly in money; or
- (b) when the supplier issues a tax invoice.

General

23. Where under this Part a supply is treated as taking place when a tax invoice is issued by the supplier or when any payment is received, tax on that supply shall be chargeable only to the extent covered by the invoice or payment.

Supplies spanning change of rate, etc.

24. Section 39 of the Act shall apply as if references in subsection (2) of that section to section 12 (1), (2), (3) and (5) of the Act included references to regulations 15 to 22.

PART V

INPUT TAX AND PARTIAL EXEMPTION

Definitions and longer periods

25.—(1) In this Part —

“club subscription fee” means any joining fee, subscription fee, membership fee, transfer fee or other consideration charged by any club, association, society or organisation established principally for recreational or sporting purposes or by the

transferor of the membership or such club, association, society or organisation, as the case may be;

“debt security” and “equity security” have the same meanings as in the Fourth Schedule to the Act;

“exempt input tax” means input tax, or a proportion of input tax, which is attributable to exempt supplies in accordance with the method used under regulation 29 or approved or directed to be used under regulation 30, as the case may be;

“family benefits” means any benefits (including hospitality of any kind) provided by the taxable person for the benefit of any person who is the wife, husband, child or relative of any person employed by the taxable person for the purposes of any business carried on or to be carried on by the taxable person;

“medical and accident insurance premium” means any payment or contribution towards any of the following insurance contracts:

- (a) a contract for the provision of insurance for indemnifying the taxable person against the cost of medical treatment to any person;
- (b) a contract for the provision of insurance against the cost of medical treatment in which the insured is any person employed by the taxable person;
- (c) a contract for the provision of insurance against any personal accident in which the insured is any person employed by the taxable person,

but does not include any insurance contract against any liability which the taxable person may incur under the provisions of the Workmen’s Compensation Act (Cap. 354) to any workman employed by him where such insurance is obligatory under that Act or any collective agreement within the meaning of the Industrial Relations Act (Cap. 136);

“medical expenses” means any of the following medical expenses in connection with the provision of medical treatment to any person employed by a taxable person:

- (a) expenses incurred in or in connection with the provision of maternity health care, natal care, and preventive and therapeutic treatment;

(b) expenses incurred in or in connection with the provision of a medical clinic by the taxable person,

but does not include expenses incurred under the provisions of the Workmen's Compensation Act (Cap. 354) to any workman employed by him where such expenses is obligatory under that Act or any collective agreement within the meaning of the Industrial Relations Act (Cap. 136);

“medical treatment” includes all forms of treatment for, and procedures for diagnosing, any physical or mental ailment, infirmity or defect;

“motor car” means a motor car which is constructed or adapted for the carriage of not more than 7 passengers exclusive of the driver and the weight of which unladen does not exceed 3,000 kilograms but does not include —

(a) a motor car registered before 1st April 1998 as a business service passenger vehicle for the purposes of the Road Traffic Act (Cap. 276);

(b) a taxi;

(c) a motor car registered as a private car (school transport);

(d) an unused motor car which has not been previously registered under the Road Traffic Act supplied or imported for the purpose of being let on hire or sold;

(e) a motor car supplied to a financial institution for the purposes of making a supply of that motor car by the financial institution under a hire purchase contract;

(f) a motor car supplied to or imported by a taxable person for the purposes of being let on hire or sold by that taxable person who is a dealer of motor cars licensed under the Secondhand Dealers Act (Cap. 288); and

(g) a motor car used for instructional purposes for reward and registered under paragraph IX (1) of the Second Schedule to the Road Traffic (Motor Vehicles, Registration and Licensing) Rules (R 5) by a person who holds a driving school licence issued under the Road Traffic Act;

“registration period”, in relation to a taxable person, means the period commencing on his effective date of registration determined in accordance with the First Schedule to the Act and ending on the day before the commencement of his first tax year;

“relative” means brother, sister, ancestor or linear descendant;

“tax year”, in relation to a taxable person, means —

- (a) the first period of 12 calendar months commencing on the 1st day of April, May or June, according to the prescribed accounting periods allocated to him, next following his effective date of registration determined in accordance with the First Schedule to the Act; or
- (b) any subsequent period of 12 calendar months commencing on the day following the end of his first, or any subsequent, tax year,

except that the Comptroller may approve or direct that a tax year shall be a period of other than 12 calendar months or that it shall commence on a date other than that determined in accordance with sub-paragraph (a) or (b).

(2) Any reference to goods or services shall be construed as including a reference to anything which is supplied by way of a supply of goods or a supply of services, respectively.

(3) For the purposes of the definitions of “family benefits”, “medical and accident insurance premium” and “medical expenses” in paragraph (1) —

- (a) directors and officers of a company;
- (b) persons engaged in the management of a company;
- (c) the directors, officers or employees of a related corporation as defined in section 4 of the Companies Act (Cap. 50),

shall be construed as persons employed by the company.

(4) Paragraphs (5), (6), (7) and (8) shall be used for determining the longer period applicable to taxable persons under the Act.

(5) A taxable person who incurs exempt input tax during any tax year shall have applied to him a longer period which shall correspond with that tax year unless he did not incur exempt input tax during his

immediately preceding tax year or registration period, in which case his longer period shall —

- (a) begin on the first day of the first prescribed accounting period in which he incurs exempt input tax; and
- (b) end on the last day of that tax year, except where he only incurs exempt input tax in the last prescribed accounting period of his tax year, in which case no longer period shall be applied to him in respect of that tax year.

(6) A taxable person who incurs exempt input tax during his registration period shall have applied to him a longer period which shall begin on the first day on which he incurs exempt input tax and end on the day before the commencement of his first tax year.

(7) In the case of a taxable person ceasing to be taxable during a longer period applicable to him, that longer period shall end on the day when he ceases to be taxable.

(8) The Comptroller may approve in the case of a taxable person who incurs exempt input tax, or a class of such persons, that a longer period shall apply which need not correspond with a tax year.

Disallowance of input tax

26. Input tax incurred by a taxable person in respect of any of the following:

- (a) club subscription fee;
- (b) medical and accident insurance premium;
- (c) medical expenses;
- (d) family benefits;
- (e) any transaction involving betting, sweepstakes, lotteries, fruit machines or games of chance,

shall be excluded from any credit under sections 19 and 20 of the Act.

Disallowance of input tax relating to motor car

27. Input tax incurred by a taxable person on —

- (a) the supply or importation of a motor car; or
- (b) the supply or importation of goods or supply of services, used by him directly in connection with a motor car,

shall be excluded from any credit under sections 19 and 20 of the Act.

De minimis rule

28. Where in any prescribed accounting period or in any longer period the total value of all exempt supplies made by a taxable person does not exceed both —

- (a) the average of \$20,000 per month; and
- (b) an amount equal to 5% of the total value of all taxable and exempt supplies made in that period,

then all exempt input tax in that period shall be treated as attributable to taxable supplies.

Attribution of input tax to taxable supplies

29.—(1) Subject to regulation 30, the amount of input tax which a taxable person shall be entitled to deduct provisionally shall be that amount which is attributable to taxable supplies in accordance with this regulation.

(2) In respect of each prescribed accounting period —

- (a) goods imported by and goods or services supplied to the taxable person in the period shall be identified;
- (b) there shall be attributed to taxable supplies the whole of the input tax on such of those goods or services as are used or to be used by him exclusively in making taxable supplies;
- (c) no part of the input tax on such of those goods or services as are used or to be used by him exclusively in making exempt supplies, or in carrying on any activity other than the making of taxable supplies, shall be attributed to taxable supplies; and
- (d) (i) subject to sub-paragraph (ii), there shall be attributed to taxable supplies such proportion of the input tax on such of those goods or services as are used or to be used by him in making both taxable and exempt supplies as bears the same ratio to the total of such input tax as the value of taxable supplies made by him bears to the value of all supplies made by him in the period; and
- (ii) where input tax is incurred on goods or services in the development of land and construction of a building as is used or to be used by him in making both taxable

and exempt supplies, there shall be attributed to taxable supplies such proportion of the input tax as bears the same ratio determined in accordance with the formula:

$$\frac{(A \times B)}{(A \times B) + (C \times D)}$$

where A is the floor area of the part of that building under development or construction for which the competent authority under the Planning Act (Cap. 232) has granted provisional or written planning permission for a purpose other than a residential purpose;

B is the rate for the time being specified in Part II of the First Schedule to the Planning (Development Charges) Rules (Cap. 232, R 5) corresponding to the appropriate geographical sector of the building and the use group as specified in Part I of the First Schedule to the Planning (Development Charges) Rules within which such purpose falls;

C is the floor area of the part of that building under development or construction for which the competent authority under the Planning Act has granted provisional or written planning permission for residential purposes;

D is the rate for use group B (residential purpose) for the time being specified in Part II of the First Schedule to the Planning (Development Charges) Rules.

(3) In calculating the proportion under paragraph (2) (d), there shall be excluded any sum receivable by the taxable person in respect of any exempt supply referred to in paragraph 1 of the Fourth Schedule to the Act that are made by him, where such supply is incidental to one or more of his business activities.

(4) The ratio calculated for the purpose of paragraph (2) (d) shall be expressed as a percentage and, if that percentage is not a whole number, it shall be rounded off to the nearest whole number.

(5) For the purpose of this regulation, “appropriate geographical sector” and “floor area” have the same meanings as in the Planning (Development Charges) Rules (Cap. 232, R 5).

(6) Where the development of land or construction of building involves more than one use group specified in Part I of the First Schedule to the Planning (Development Charges) Rules, the Comptroller may determine the method for the application of the formula referred to in paragraph (2) (d) (ii) to the appropriate use group.

Use of other methods

30.—(1) The Comptroller may approve or direct the use by a taxable person of a method other than that specified in regulation 29.

(2) The Comptroller may in special circumstances approve or direct the use by a taxable person of a method, other than that specified in regulation 29, which may treat supplies made by that taxable person to another taxable person for the purpose of any business carried on by the last-mentioned taxable person as taxable supplies; but the Comptroller may if he thinks it necessary for the protection of revenue refuse to allow the use of such method.

(3) A taxable person using a method as approved or directed by the Comptroller under paragraph (1) or (2) shall continue to use that method unless the Comptroller approves or directs the termination of its use.

(4) Any approval or direction under paragraph (1) or (2) shall take effect from the date upon which the Comptroller gives such approval or direction or from such date as he may specify.

Attribution of input tax to foreign and bonded warehouse supplies

31.—(1) Input tax incurred by a taxable person in any prescribed accounting period on importations by or supplies to him which are used or to be used by him in whole or in part in making —

- (a) supplies outside Singapore which would be taxable supplies if made in Singapore;
- (b) supplies referred to in paragraph 1 (b) or (g) of the Fourth Schedule to the Act outside Singapore; or

- (c) supplies which are to be disregarded under section 37 of the Act for the purposes of the Act and which would otherwise be taxable supplies,

may be attributed to taxable supplies to the extent that the importations or supplies are separately identified as so used or to be used.

(2) Every taxable person shall keep such documents in such form as the Comptroller may require for the purposes of supporting any attribution of input tax to taxable supplies under this regulation.

(3) Nothing in this regulation shall be construed as treating the supplies referred to in paragraph (1) (a) to (c) as taxable supplies for the purposes of these Regulations.

Attribution of input tax on self-supplies

32. Where under or by virtue of any provision of the Act a person makes a supply to himself, the input tax on that supply shall not be allowable as attributable to that supply.

Treatment of input tax attributable to exempt supplies as being attributable to taxable supplies

33. Subject to regulations 34 and 35, there shall be treated as attributable to taxable supplies any exempt input tax attributable to supplies of any of the following descriptions:

- (a) the deposit of money;
- (b) the exchange of currency (whether effected by the exchange of currency, bank notes or coin, by crediting or debiting accounts, or otherwise) other than the supply of a note or a coin as a collector's item, investment article or item of numismatic interest;
- (c) the issue, allotment or transfer of ownership of a debt security by the person who makes the first issue of such security;
- (d) the issue, allotment or transfer of ownership of an equity security by the person who makes the first issue of such security;
- (e) the provision by a taxable person of any loan, advance or credit to his employee.

Non-applicability to certain businesses

34. Regulation 33 shall not apply where the supply is made by the taxable person in the course of carrying on a business of, or a business similar to, any of the following:

- (a) a bank required to be licensed under the Banking Act (Cap. 19);
- (b) a merchant bank or other financial institution required to be approved under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
- (c) a company or society required to be registered under the Insurance Act (Cap. 142) or an insurance agent;
- (d) a dealer, dealer's representative, investment adviser or investment representative required to be licensed under the Securities Industry Act (Cap. 289);
- (e) a commodity futures broker, commodity futures trading adviser, commodity futures broker's representative, commodity futures trading adviser's representative, commodity futures pool operator or commodity futures pool operator's representative, required to be licensed under the Commodity Trading Act (Cap. 48A);
- (f) a futures broker, futures trading adviser, futures broker's representative, futures trading adviser's representative, futures pool operator or futures pool operator's representative, required to be licensed under the Futures Trading Act (Cap. 116);
- (g) a finance company required to be licensed under the Finance Companies Act (Cap. 108);
- (h) a moneylender required to be licensed under the Moneylenders Act (Cap. 188), a money-changer or remitter required to be licensed under the Money-changing and Remittance Businesses Act (Cap. 187), a money broker or a currency trader;
- (i) a pawnbroker required to be licensed under the Pawnbrokers Act (Cap. 222);
- (j) a debt factor;
- (k) a credit card, charge card or other payment card company;
- (l) an investment trust or unit trust.

Non-applicability where other exempt supplies made

35. Regulation 33 shall not apply where the exempt input tax of the taxable person (excluding any exempt input tax attributable to supplies of the descriptions specified in that regulation) cannot be treated as attributable to taxable supplies under the Act or regulation 28.

Adjustment of attribution

36.—(1) Where a taxable person to whom a longer period is applicable has provisionally attributed an amount of input tax to taxable supplies in accordance with a method, and where all his exempt input tax in that longer period cannot be treated as attributable to taxable supplies under regulation 28 and except as the Comptroller may dispense with the following requirements to adjust, he shall —

- (a) determine for the longer period the amount of input tax which is attributable to taxable supplies according to the method used in the prescribed accounting periods;
- (b) ascertain whether there has been, overall, an over-deduction or an under-deduction of input tax, having regard to the abovementioned determination and to the sum of the amounts of input tax, if any, which were deducted in the returns for the prescribed accounting periods; and
- (c) include any such amount of over-deduction or under deduction in a return for the first prescribed accounting period next following the longer period, except where the Comptroller allows another return to be used for this purpose.

(2) Where a taxable person to whom a longer period is applicable has provisionally attributed an amount of input tax to taxable supplies in accordance with a method, and where all his exempt input tax in that longer period can be treated as attributable to taxable supplies under regulation 28, he shall —

- (a) calculate the difference between the total amount of his input tax for that longer period and the sum of the amounts of input tax deducted in the returns for the prescribed accounting periods; and

- (b) include any such amount of under-deduction in a return for the first prescribed accounting period next following the longer period, except where the Comptroller allows another return to be used for this purpose.

Adjustment of input tax deducted

37.—(1) This regulation shall apply where a taxable person has deducted an amount of input tax which has been attributed to taxable supplies because he intended to use the goods or services in making either —

- (a) taxable supplies; or
- (b) both taxable and exempt supplies,

and during a period of 6 years commencing on the first day of the prescribed accounting period which the attribution was determined and before that intention is fulfilled, he uses or forms an intention to use the goods or services concerned —

- (i) in making exempt supplies or both taxable and exempt supplies, instead of taxable supplies;
- (ii) in making exempt supplies, instead of both taxable and exempt supplies; or
- (iii) in continuing to make both taxable and exempt supplies, but reducing the proportion of taxable supplies to exempt supplies.

(2) Except as the Comptroller otherwise allows, where this regulation applies, the taxable person shall on the return for the prescribed accounting period in which the use occurs or the intention is formed, as the case may be, account of an amount equal to the input tax which has ceased to be attributable to taxable supplies, in accordance with the method which he was required to use when the input tax was first attributed, and he shall repay the said amount to the Comptroller.

(3) For the purposes of this regulation, any question as to the nature of any supply shall be determined in accordance with the provisions of the Act and any regulations or orders made thereunder in force at the time when the input tax was first attributed.

(4) Subject to paragraph (5), paragraph (2) shall not apply where the input tax deducted in respect of a supply of land made to a taxable

person has ceased to be attributable to a taxable supply of land which he intended to make because the land has been rezoned as “Residential” or “Rural Centre and Settlement” in the Master Plan under the Planning Act (Cap. 232).

(5) Where any land is supplied to a taxable person with any building thereon which is used or to be used for making exempt supplies, the taxable person shall, for the purposes of paragraph (2), repay to the Comptroller input tax in respect of only the building in accordance with such method as the Comptroller may determine.

Adjustment of input tax deemed deducted

38.—(1) This regulation shall apply to a transferee referred to in section 34A of the Act where the assets transferred to him are to be used in carrying on the same kind of business as that carried on by the transferor of the assets in making either —

- (a) taxable supplies; or
- (b) both taxable and exempt supplies,

and during a period of 6 years commencing on the day of the supply to him of the assets, the transferee uses or forms an intention to use the assets —

- (i) in making exempt supplies or both taxable and exempt supplies, instead of taxable supplies;
- (ii) in making exempt supplies, instead of both taxable and exempt supplies; or
- (iii) in continuing to make both taxable and exempt supplies, but reducing the proportion of taxable supplies to exempt supplies.

(2) Except as the Comptroller otherwise allows, where this regulation applies, the transferee shall on the return for the prescribed accounting period in which the use occurs or the intention is formed, as the case may be, account of an amount of the input tax deemed to have been deducted in respect of the supplies which have ceased or are intended to cease to be taxable supplies, in accordance with such method as the Comptroller may determine, and he shall repay the said amount to the Comptroller.

(3) For the purposes of this regulation, any question as to the nature of any supply shall be determined in accordance with the

provisions of the Act and any regulations or orders made thereunder in force at the time the input tax was deemed to have been deducted.

(4) Subject to paragraph (5), paragraph (2) shall not apply where the input tax was deemed to have been deducted in respect of land supplied to the transferee which is no longer to be used to make to a taxable supply of land because the land has been rezoned as “Residential” or “Rural Centre and Settlement” in the Master Plan under the Planning Act (Cap.232).

(5) Where any land is supplied to the transferee with any building thereon which is used or to be used for making exempt supplies, the transferee shall, for the purposes of paragraph (2), repay to the Comptroller input tax deemed to have been deducted in respect of only the building in accordance with such method as the Comptroller may determine.

Adjustment of input tax incurred

39.—(1) This regulation shall apply where a taxable person has incurred an amount of input tax which has not been attributed to taxable supplies because he intended to use the goods or services in making either —

- (a) exempt supplies; or
- (b) both taxable and exempt supplies,

and during a period of 6 years commencing on the first day of the prescribed accounting period in which the attribution was determined and before that intention is fulfilled, he uses or forms an intention to use the goods or services concerned —

- (i) in making taxable supplies or both taxable and exempt supplies, instead of exempt supplies;
- (ii) in making taxable supplies, instead of both taxable and exempt supplies; or
- (iii) in continuing to make both taxable and exempt supplies, but increasing the proportion of taxable supplies to exempt supplies.

(2) Where this regulation applies, the Comptroller shall, on receipt of an application made by the taxable person in such form and manner and containing such particulars as he may direct, pay to him an amount equal to the input tax which has become attributable to

taxable supplies in accordance with the method he was required to use when the input tax was first attributed.

(3) For the purposes of this regulation, any question as to the nature of any supply shall be determined in accordance with the provisions of the Act and any regulations or orders made thereunder in force at the time when the input tax was first attributed.

Exceptional claims for tax relief

40.—(1) Subject to paragraphs (2) and (4), on a claim made in accordance with paragraph (3), the Comptroller may authorise a taxable person to treat as if it were input tax —

- (a) tax on the supply of goods or services to the taxable person before the date with effect from which he was, or was required to be registered, or paid by him on imported goods before that date, for the purpose of a business which either was carried on or was to be carried on by him at the time of such supply or payment; and
- (b) in the case of a body corporate, tax on the supply or importation of goods acquired for it before its incorporation, or on the supply of services before that time for its benefit or in connection with its incorporation, provided that the person to whom the supply was made or who paid tax on the importation —
 - (i) became a member, officer or employee of the body and was reimbursed, or has received an undertaking to be reimbursed by the body for the whole amount of the price paid for the goods or services;
 - (ii) was not at the time of supply or importation a taxable person; and
 - (iii) acquired the goods or services for the purpose of a business to be carried on by the body and has not used them for any purpose other than such business.

(2) No tax may be treated as input tax under paragraph (1) —

- (a) in respect of goods or services which had been supplied or, in respect of goods, except as the Comptroller may otherwise allow, consumed —
 - (i) by the taxable person; or

(ii) in the case of paragraph (1) (b), by the person who acquired the goods or services,
before the date with effect from which the taxable person was, or was required to be, registered;

(b) in respect of services performed upon goods which sub-paragraph (a) applies; or

(c) in respect of services which had been supplied —

(i) to the taxable person; or

(ii) in the case of paragraph (1) (b), to the person who acquired the services,
more than 6 months before the date of the taxable person's registration.

(3) A claim under paragraph (1) shall, except as the Comptroller may otherwise allow, be made on the first return the taxable person furnishes under regulation 52 and, as the Comptroller may require, be supported by invoices and other evidence.

(4) A taxable person making a claim under paragraph (1) shall compile and preserve for such period as the Comptroller may require —

- (a) in respect of goods, a stock account showing separately quantities purchased, quantities used in the making of other goods, date of purchase and date and manner of subsequent disposals of both such quantities; and
- (b) in respect of services, a list showing their description, date of purchase and date of disposal, if any.

(5) If a person who has been, but is no longer, a taxable person makes a claim in such manner and supported by such evidence as the Comptroller may require, he may pay to him the amount of any tax on the supply of services to him after the date with effect from which he ceased to be or to be registered and which was attributable to any taxable supply made by him in the course or furtherance of any business carried on by him when he was or was required to be registered.

Input tax for local shopping and other land

41.—(1) The Comptroller may allow the whole of the input tax incurred by a taxable person in respect of —

(a) a supply to him of land zoned “Local Shopping” in the Master Plan under the Planning Act (Cap. 232); or

(b) a supply to him of land, being —

(i) vacant land; or

(ii) land on which there is any building and such building is to be demolished,

where it appears to the Comptroller that any subsequent supply of that land and any new building erected or to be erected thereon by the taxable person will be an exempt supply because of the intended rezoning of the land,

to be attributable to taxable supplies.

(2) Where any land is supplied to a taxable person with any building thereon which is used or to be used for making exempt supplies, the Comptroller may allow the input tax in respect of only the supply of land excluding the building to be attributable to taxable supplies in accordance with such method as the Comptroller may determine.

(3) Every taxable person shall keep such documents in such form as the Comptroller may require for the purposes of supporting any attribution of input tax to taxable supplies under this regulation.

PART VI

REMISSION AND DEFERRED PAYMENT

Remission for goods lost or destroyed

42.—(1) If any goods are by unavoidable accident lost, damaged or destroyed or are lost through theft or through evaporation at any time before removal from customs control, the Comptroller may remit the whole or any part of the tax payable thereon.

(2) After removal of any goods from customs control, no abatement of tax charged on the importation of such goods shall be allowed on account of loss or damage, or on account of any claim that the weight, measure, volume or value as determined by the proper officer of customs for the purpose of ascertaining the tax on such goods, or any other factor affecting the goods, is incorrect, unless notice in writing of the claim has been given to the Comptroller by the claimant at or before the time of the removal.

(3) For the purposes of this regulation, “customs control” has the same meaning as in section 3 (2) of the Customs Act (Cap. 70).

Petroleum products removed from warehousing regime

43. The Comptroller may permit petroleum products subject to a duty (whether customs or excise duty or both customs duty and excise duty) and which are supplied while they are subject to a warehousing regime under section 37 (1) or (2) of the Act, to be removed from the warehousing regime without payment of tax on the supply subject to the following conditions:

- (a) the petroleum products are supplied to and removed by a taxable person for the purpose of a business carried on by him;
- (b) the petroleum products are for his principal trade, profession or vocation;
- (c) the tax payable shall be accounted for together with the tax chargeable on the supply of goods or services by such taxable person who is required to pay the duty on the goods to be removed from a warehousing regime; and
- (d) such other conditions as the Comptroller may think fit to impose.

Goods removed from bonded warehouse by major exporters

44.—(1) A person who holds a licence for a bonded warehouse under regulation 94 may apply in writing to the Comptroller for goods, which are subject to a warehousing regime under section 37 (1) or (2) of the Act, to be removed from the warehousing regime without payment of tax, subject to the following conditions:

- (a) that such goods are removed in the course or furtherance of any business carried on by a taxable person who has been granted approval under the Major Exporter Scheme under regulation 45; and
 - (b) that the applicant has satisfied the eligibility requirements under paragraph (3).
- (2) Every application under paragraph (1) shall —
- (a) be made on such form as the Comptroller may determine; and

- (b) give a full and true account of the particulars or information for which the provision is made in the form.
- (3) A person is eligible to make an application under paragraph (1) if he satisfies the Comptroller that —
 - (a) he has been issued a licence for a bonded warehouse under regulation 94;
 - (b) his accounting and internal control systems are able to meet such accounting and auditing standards as the Comptroller may require; and
 - (c) he is able to comply with such other conditions as the Comptroller may impose for the protection of revenue.
- (4) The Comptroller may, on an application made under paragraph (1), approve the application on such conditions or requirements as he may in his discretion impose.
- (5) The Comptroller may, in granting approval under paragraph (4), require the applicant to furnish security in such form and amount and to make arrangements for the payment of tax as the Comptroller may determine.
- (6) The Comptroller may, at any time, by notice in writing revoke any approval granted under this regulation if he is satisfied that the person —
 - (a) has failed to comply with any condition or requirement imposed by the Comptroller under paragraph (4);
 - (b) has at any time ceased to satisfy any of the requirements for eligibility under paragraph (3); or
 - (c) has provided any false, misleading or inaccurate declaration or information in his application form under paragraph (2).
- (7) A person to whom approval has been granted under this regulation shall immediately notify the Comptroller of any change in particulars furnished, the security given or the arrangements for the payment of tax.

Major exporter scheme

45.—(1) A taxable person who is eligible under paragraph (2) may apply in writing to the Comptroller for goods, not being goods subject to a duty (whether customs or excise duty or both customs duty and

excise duty), imported by that person in the course or furtherance of any business carried on by him to be delivered or removed, subject to such conditions as the Comptroller may think fit to impose, without payment of the tax chargeable on the importation, and for that tax to be accounted for together with the tax chargeable on the supply of goods or services by the taxable person.

(2) A taxable person is eligible to make an application under paragraph (1) if he satisfies the Comptroller that —

- (a) the amount or proportion of goods exported or to be exported by him or the value of supplies of international services made or to be made by him within the meaning of section 21 (3) of the Act satisfies such requirement as the Comptroller may determine;
- (b) his accounting and internal control systems are able to meet such accounting and auditing standards as the Comptroller may require;
- (c) he has faithfully observed and complied with all duties and obligations relating to his liability to pay customs and excise duties, income tax, property tax and goods and services tax; and
- (d) he is able to comply with such other conditions as the Comptroller may impose for the protection of the revenue.

(3) The Comptroller may, on an application made under paragraph (1), approve the application on such conditions as he may in his discretion impose and may require the applicant to furnish security in such form and amount and to make arrangements for the payment of tax as he may determine.

(4) The Comptroller may at any time by notice in writing vary or revoke any approval granted under this regulation if he is satisfied that the taxable person —

- (a) has failed to comply with any condition or requirement imposed by the Comptroller under paragraph (3);
- (b) has at any time ceased to satisfy any of the requirements for eligibility under paragraph (2); or
- (c) has provided any false, misleading or inaccurate declaration or information in his application under paragraph (1).

(5) A person to whom approval has been granted under this regulation shall immediately notify the Comptroller of any change in particulars furnished, the security given, or the arrangements for the payment of tax.

(6) Subject to paragraph (4), an approval granted under paragraph (3) shall have effect for a period of 3 years from the date on which the approval is to take effect and the Comptroller may, in his discretion, extend the period to which the approval relates.

Approved contract manufacturer and trader scheme

46.—(1) A taxable person who is eligible under paragraph (3) may make an application to the Comptroller for the supplies he makes, which comprise the treatment or processing of goods for and to a person who belongs in a country other than Singapore, to be disregarded for the purposes of the Act.

(2) Every application under paragraph (1) shall —

- (a) be made on such form as the Comptroller may determine; and
- (b) give a full and true account of the particulars or information for which the provision is made in the form.

(3) A taxable person is eligible to make an application under paragraph (1) if he satisfies the Comptroller that —

- (a) the value of supplies comprising the treatment or processing of goods for and to a person who belongs in a country other than Singapore, meets such requirement as the Comptroller may determine;
- (b) his business is substantially with a person belonging outside Singapore;
- (c) his accounting and internal control systems are able to meet such accounting and auditing standards as the Comptroller may require; and
- (d) he is able to comply with such other conditions as the Comptroller may impose for the protection of revenue.

(4) The Comptroller may, on an application made under paragraph (1), approve the application on such conditions or requirements as he may in his discretion impose.

(5) The Comptroller may, in granting approval under paragraph (4), require the applicant to furnish security in such form and amount and to make arrangements for the payment of tax as the Comptroller may determine.

(6) A taxable person to whom approval has been granted under this regulation shall immediately notify the Comptroller of any change in particulars furnished, business transactions, the security given, or the arrangements for the payment of tax.

(7) Unless the Comptroller otherwise allows or directs, a taxable person who receives such treated or processed goods under paragraph (1) is required to account for and pay the tax as if he has himself supplied the goods in the course or furtherance of his business.

(8) For the purposes of this regulation, the enforcement of any obligation to account for and pay goods and services tax shall apply to any taxable person who is required under paragraph (7) to account for and pay any tax as if that tax were tax on a supply made by him.

(9) For the purposes of paragraph (7), the supply of the treated or processed goods shall be treated as taking place at the earlier of the following times:

- (a) whenever a payment in respect of the supplies is made; or
- (b) whenever that taxable person mentioned in paragraph (7) receives an invoice relating to the supplies.

(10) The Comptroller may, at any time, by notice in writing vary or revoke any approval granted under this regulation if he is satisfied that the taxable person —

- (a) has failed to comply with any condition or requirement imposed by the Comptroller under paragraph (4);
- (b) has at any time ceased to satisfy any of the requirements for eligibility under paragraph (3); or
- (c) has provided any false, misleading or inaccurate declaration or information in his application under paragraph (2).

(11) Subject to paragraph (10), an approval granted under paragraph (4) shall have effect for a period of 3 years from the date on which the approval is to take effect and the Comptroller may, in his discretion, vary the period to which the approval relates.

(12) Where the taxable person approved by the Comptroller fails to comply with any condition or requirement imposed by the Comptroller, he shall —

- (a) repay to the Comptroller without demand the amount of tax on the value of the supply to which the failure to comply relates; and
- (b) include the amount of tax on the value of the supply which he is required to repay under sub-paragraph (a) as output tax in his return.

PART VII

TOURIST REFUND SCHEME

Definitions

47. In this Part —

“application form” means the application form for a refund under the scheme determined by the Comptroller under regulation 4;

“goods” means the goods in respect of which an application form for a refund under the scheme has been or is to be submitted to the proper officer of customs;

“proper officer of customs” means any officer of customs acting in the fulfilment of his duties under the Act, whether such duties are assigned to him specially or generally or expressly or by implication;

“tourist” means an individual who is eligible to receive a refund of tax under regulation 49.

Tourist refund

48.—(1) Where the Comptroller is satisfied that goods have been supplied by a taxable person to an individual and the taxable person —

- (a) has made a refund of the tax on the goods to the individual who is entitled to receive such a refund under such tourist refund scheme (referred to in this Part as the scheme) as the Comptroller may approve for such refund; and

- (b) is able to produce such documents as the Comptroller may require for the purposes of supporting any claim for refund to him under this regulation,

the taxable person may be allowed to claim a refund to him of an amount equivalent to the refund he has made in accordance with the scheme by including the correct amount of the refund in the appropriate box on his return.

(2) If at the time the taxable person becomes entitled under paragraph (1) to a refund he is no longer required to make returns to the Comptroller, he shall make a claim to the Comptroller in such form and manner as the Comptroller may determine.

(3) Where the taxable person fails to comply with any requirement of the scheme or of this Part, he shall repay to the Comptroller the amount of the refund obtained by the claim to which the failure to comply relates; and he shall repay the amount immediately by including that amount in the appropriate box on his return.

(4) If at the time the taxable person is required to repay any amount he is no longer required to make returns to the Comptroller, he shall repay such amount to the Comptroller within one month after he receives the payment of the refund to him referred to in paragraph (1) and in such form and manner as the Comptroller may determine.

Eligibility for tourist refund

49. An individual is eligible to receive a refund of the tax on the goods from a taxable person under the scheme if —

- (a) he has in the 24 months immediately preceding the date of purchase of the goods been present in Singapore for not more than 365 days in the aggregate;
- (b) he is neither a citizen nor a permanent resident of Singapore;
- (c) he is not a member of the cabin or flight crew of the aircraft on which he is departing out of Singapore; and
- (d) he has not, in the 6 months immediately preceding the date of purchase of the goods, been at any time employed in Singapore.

Conditions for tourist refund scheme

50.—(1) A tourist shall only be entitled to the refund of the tax under the scheme if he satisfies the following conditions:

- (a) the tourist makes and duly completes an application for a refund of the tax on such application form as the Comptroller may determine;
- (b) the goods are to be brought out of Singapore to another country as the tourist's hand or accompanied luggage on the same flight on which he is travelling except in the circumstances specified in sub-paragraph (c);
- (c) if the tourist has insufficient accompanied luggage allowance, he may bring the goods out by unaccompanied luggage by checking them in at the unaccompanied luggage counter within 12 hours before the announced time of departure of his flight;
- (d) the tourist shall submit the application form together with the goods to the proper officer of customs at the Goods and Services Tax Refund Inspection Counter at the Changi International Airport or Seletar Airport, as the case may be, for inspection and endorsement of the application form before the goods are checked in or brought into the aircraft as hand luggage;
- (e) the goods shall not be brought out of the premises of the Changi International Airport Departure Check-in Hall or the Seletar Airport Passenger Terminal, as the case may be, after the application form has been endorsed by the proper officer of customs;
- (f) the goods must be purchased no earlier than 2 months before the goods are brought out of Singapore to another country;
- (g) after the application form has been endorsed, the tourist shall not part with possession of the goods or give it to any other person except to the counter staff for checking in; and
- (h) the tourist shall write on the appropriate box allocated for this purpose in the application form the flight number on which he is departing with the goods before submitting it to the proper officer of customs at the Goods and Services Tax

Refund Inspection Counter at the Changi International Airport or Seletar Airport, as the case may be.

Offences relating to tourist refund

51.—(1) Any person who receives any goods from a tourist after the application form in respect of such goods has been submitted to the proper officer of customs at the Goods and Services Tax Refund Inspection Counter at the Changi International Airport or Seletar Airport, as the case may be, shall be guilty of an offence.

(2) Any person who brings any goods out of the premises of the Changi International Airport Departure Check-in Hall or the Seletar Airport Passenger Terminal, as the case may be, after the application form in respect of such goods has been submitted to the proper officer of customs at the Goods and Services Tax Refund Inspection Counter at the Airport concerned, shall be guilty of an offence.

(3) Paragraphs (1) and (2) shall not apply to the circumstances where —

- (a) a ticketing or luggage officer or other employee, who is authorised by the Civil Aviation Authority of Singapore or the airline or air terminal operator concerned, receives luggage for checking in or handles the luggage for the purpose of loading it into the aircraft; or
- (b) the tourist carries the goods in his hand luggage for boarding on the departing aircraft.

PART VIII

RETURNS, PAYMENTS AND NOTICES

Furnishing of returns

52.—(1) Except as the Comptroller may otherwise allow or direct, every person who is registered or was or is required to be registered shall, in respect of every period of a quarter or in the case of a person who is registered every period of 3 months ending on the dates notified by the Comptroller, furnish to the Comptroller not later than one month after the end of the period to which it relates, with a return as may be determined by the Comptroller provided that —

- (a) the Comptroller may allow or direct a person to furnish returns in respect of periods of either one month or 6 months and to furnish those returns within one month after the periods to which they relate;
 - (b) the first return shall be for the period in which occurs the effective date determined in accordance with section 91 (3) of, or the First Schedule to, the Act upon which the person was or should have been registered, and the said period shall begin on that date; and
 - (c) where the Comptroller considers it necessary in the circumstances of any particular case to vary the length of any period or the date on which any period begins or ends or by which any return shall be furnished, he may allow or direct any person to furnish returns accordingly, whether or not the period so varied has ended.
- (2) Any person who —
- (a) ceases to be liable to be registered; or
 - (b) ceases to be registered under paragraph 8 or 9 of the First Schedule to the Act,

shall, not later than one month after so ceasing, furnish to the Comptroller a final return in the form as determined by the Comptroller in respect of that part of the last taxable period during which that person was registered.

Furnishing of return by electronic transmission

53.—(1) Any person who is required to furnish a return to the Comptroller under this Part may apply to the Comptroller to be a registered user of the computer service and to furnish the return by way of an electronic notice.

(2) An application made under paragraph (1) shall be made in such form and manner as the Comptroller may determine and the Comptroller may, in his discretion, approve the application and impose such conditions as he may think fit.

(3) For the purposes of these Regulations, a return furnished by way of any electronic notice by the registered user in accordance with this Part shall be deemed to be furnished at the time when the data

service provider causes an electronic acknowledgment to be sent to the registered user to the effect that the return has been transmitted to the computer account of the Comptroller.

(4) Where the Comptroller allows the return of a taxable person to be furnished by way of an electronic notice by another person on his behalf (referred to in this regulation and regulation 56 as the filer), the filer shall, if required by the Comptroller —

- (a) obtain from the taxable person a signed statement authorising him to so act and other details in such form as the Comptroller may determine;
- (b) retain one copy of the statement; and
- (c) provide the taxable person with a copy of such return.

(5) The filer and the taxable person referred to in paragraph (4) shall keep and preserve the statement under that paragraph for a period not less than 7 years or such shorter period as the Comptroller may, in his discretion, allow.

(6) If an error is made in any return furnished by the registered user under this regulation, he shall correct it by way of electronic notice and within such time as the Comptroller may require.

(7) Notwithstanding paragraph (6), the Comptroller may direct or allow a registered user to correct a return furnished by him under this regulation in such manner (other than by way of an electronic notice) and within such time, as the Comptroller may require.

(8) The Comptroller may, at any time by notice in writing to the registered user, withdraw the approval given under this regulation and cancel his registration if the registered user fails to comply with any condition or requirement imposed by the Comptroller under paragraph (2) or contravenes any regulation in this Part.

Authentication code

54.—(1) The Comptroller shall cause to be assigned to a registered user an authentication code for the purposes of this Part and the registered user shall acknowledge receipt of the authentication code.

(2) A registered user shall ensure that his authentication code is kept confidential and shall not disclose his authentication code to any unauthorised person.

Power to direct production of documents

55.—(1) The Comptroller may, by notice in writing, direct a taxable person, a data service provider or an independent record keeper to produce to him any return and any other document (including the signed statement referred to in regulation 53 (4) (a) where applicable), furnished under this Part or a copy thereof (including a print-out of that return or copy thereof) or any database report (including a print-out of that report) relating to that return, where applicable.

(2) Any person who is directed to produce any document under this regulation shall comply with the direction in such manner and within such time as the Comptroller may specify in the notice directing the production.

Preservation of returns

56. A taxable person shall keep for a period of not less than 7 years every copy of his return which is furnished by way of an electronic notice or otherwise to the Comptroller, whether or not such return is furnished by the taxable person himself or by a filer on his behalf.

Appointment of independent record keeper

57.—(1) The Minister may appoint any person as an independent record keeper for the purposes of this Part to be charged with the duty to maintain, for not less than 7 years from the time of receipt, a record of all the electronic notices and transactions made through the data service provider between the Comptroller and the registered users, such a duty to include keeping the database reports.

(2) The independent record keeper shall keep and maintain all electronic notices and transactions for the period as provided under paragraph (1), notwithstanding that he ceases to be appointed by the Comptroller to act as such independent record keeper.

Statement for sale in satisfaction of debt

58. Where goods are deemed to be supplied by a taxable person by virtue of paragraph 6 of the Second Schedule to the Act or where goods supplied under a hire purchase agreement are repossessed and sold in or towards satisfaction of a debt, the auctioneer on a sale by

auction or, where the sale is otherwise than by auction, the person selling the goods, shall, whether or not registered under the Act, within 21 days of the sale —

- (a) furnish to the Comptroller a statement showing —
 - (i) his name and address and, if registered, his registration number;
 - (ii) the name, address and registration number of the person whose goods were sold;
 - (iii) the date of the sale;
 - (iv) the description and quantity of goods sold at each rate of tax; and
 - (v) the amount for which they were sold and the amount of tax charged;
- (b) pay the amount of tax due; and
- (c) send to the person whose goods are sold a copy of the statement referred to in paragraph (a),

and the auctioneer or person selling the goods, as the case may be, and the person whose goods were sold shall exclude from any return furnished under these Regulations the tax chargeable on that supply of those goods.

Tax to be accounted for on returns and payment of tax

59.—(1) Except as the Comptroller may otherwise allow or direct, any person required to furnish a return of tax in accordance with these Regulations shall pay to the Comptroller such amount of tax as is payable by him in respect of the period to which the return relates not later than the last day on which he is required by these Regulations to make that return.

(2) Except as the Comptroller may otherwise allow or direct, any person assessed to tax under section 45 or 48 of the Act shall, notwithstanding any objection or appeal against the assessment, pay the tax assessed to the Comptroller within such time as the Comptroller may specify in the notice of assessment.

(3) Where any amount of tax charged is required to be shown on any invoice, receipt, credit note, debit note or any other document,

and that amount consists of any number of dollars and cents together with any fraction or part of a cent, that fraction or part of that cent —

- (a) if less than half of that cent, may be disregarded for the purposes of the Act; or
- (b) if in excess of half or equal to half of that cent, shall be deemed for the purposes of the Act to be an amount equal to one cent unless the Comptroller otherwise determines.

Estimation of output tax

60. The Comptroller may allow a person to estimate the whole or any part of his output tax for any period in cases where he is satisfied that the person is not able to account for the exact amount of output tax chargeable in that period, provided that any such estimated amount shall be adjusted and exactly accounted for as tax chargeable in the next period thereafter or in such later period as the Comptroller may allow.

Claim for input tax

61.—(1) Subject to paragraph (2) and except as the Comptroller may otherwise allow or direct either generally or specially, a person claiming deduction of input tax under section 19 (2) of the Act shall do so on the return furnished by him for the prescribed accounting period in which the tax became chargeable.

(2) Subject to paragraph (3) at the time of claiming deduction of input tax in accordance with paragraph (1), a person shall, if the claim is in respect of —

- (a) a supply from another taxable person, hold the document which is required to be provided under regulation 10; or
- (b) an importation of goods, hold a document showing the claimant as importer, consignee or owner and showing the amount of tax charged on the goods and authenticated or issued by the authorised officer.

(3) Where the Comptroller so directs, either generally or in relation to particular cases or classes of cases, a claimant shall hold, instead of the document or invoice (as the case may require) specified in paragraph (2) (a) or (b), such other documentary evidence of the charge to tax as the Comptroller may direct.

Failure to comply with notices or submit returns

62. Any person who fails or neglects without reasonable excuse to comply with any notice issued by the Comptroller or to submit any return shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and in default of payment to imprisonment not exceeding 6 months.

Time for payment of refund

63. Subject to section 19 (7) and (8) of the Act, when the Comptroller is required to make any amount of payment under section 19 (5) of the Act, he shall make such payment within a period equivalent to the prescribed accounting period after the return to which the payment relates is received by the Comptroller.

Interest on late payment

64.—(1) Subject to paragraph (2), where the Comptroller fails to make any payment or part thereof due under section 19 (5) of the Act within the period specified in regulation 63, the Comptroller shall pay interest at the rate of 2.13% per annum on the amount of payment outstanding calculated from the day after the period for refund referred to in regulation 63 until such time the payment or part thereof is made in such manner as may be determined by the Comptroller.

(2) Paragraph (1) shall not apply to any amount of payment which the Comptroller has withheld in exercise of his powers under section 19 (7) of the Act.

Interest less than \$10 not payable

65. Notwithstanding anything in regulation 64, where the amount of interest that, but for this regulation, would be paid under regulation 64 is less than \$10, no interest shall be payable.

Correction of errors

66. If a person makes an error in accounting for tax or in any return furnished under these Regulations, he shall correct it in such manner and within such time as the Comptroller may require.

PART IX

CASH ACCOUNTING

Definitions

67. In this Part —

“approved person” means a person who has been approved by the Comptroller in accordance with regulation 68 to account for tax in accordance with a cash accounting scheme under this Part;

“scheme” means the cash accounting scheme referred to in regulation 68.

Cash accounting scheme

68. The Comptroller may, subject to this Part and to such conditions as he may impose, grant an approval for a taxable person who is eligible to apply for such an approval under regulation 69 to account for tax in accordance with a cash accounting scheme by which the operative dates for tax accounting purposes shall be —

(a) for output tax, the day on which payment or other consideration is received or the date of any cheque, if later; and

(b) for input tax, the date on which payment is made or other consideration is given, or the date of any cheque, if later,

if the Comptroller is satisfied that, due to the nature, volume, and value of the taxable supplies made by that taxable person and the nature of the accounting system employed by that person, it would be appropriate for that person to account for tax under the scheme.

Admission to scheme

69.—(1) A taxable person shall be eligible to apply for approval under regulation 68 if —

(a) he is registered under paragraph 8 of the First Schedule to the Act;

(b) he has made all returns which he is required to make under the Act, and has paid to the Comptroller all such sums shown as due on those returns and on any assessment made under section 45 of the Act; and

(c) he has not in the 3 years preceding the date of his application for approval —

- (i) been convicted of any offence under the Act or the Customs Act (Cap. 70) as applied by section 26 of the Act;
- (ii) accepted any offer of composition under section 75 of the Act or under the Customs Act as applied by section 26 of the Act;
- (iii) been assessed to a penalty under section 48 of the Act; or
- (iv) had his approval revoked under regulation 74.

(2) The Comptroller may refuse to approve an application made under regulation 68 where he considers it necessary for the protection of the revenue.

(3) The scheme shall not apply to any supply of goods or services made under any hire purchase agreement, conditional sale agreement or credit sale agreement.

Commencement and expiry of scheme

70.—(1) An approved person may start to use the scheme at the beginning of his next prescribed accounting period indicated in the notification of that approval.

(2) An approval granted under regulation 68 shall have effect for a period of 2 years from the date on which the approval is to take effect and the Comptroller may, in his discretion, extend the period to which the approval relates.

Supplies before expiry

71. An approved person who ceases to use the scheme for the reason that the approval to use the scheme has expired under regulation 70 (2) may continue to use the scheme only for supplies made and received while he operated the scheme, but shall otherwise account for and pay tax as provided for by or under the Act.

Insolvency of approved person

72. Where an approved person goes into liquidation or receivership, or becomes bankrupt, and ceases to trade, other than for the purpose

of disposing of stocks and assets, he shall within 2 months account for tax on supplies made and received in the previous 12 months which have not otherwise been accounted for, subject to any adjustment for credit for input tax, and indicate the amount of such tax which is non-preferential.

Death, bankruptcy, incapacity and cessation of business

73.—(1) Where an approved person ceases business or ceases to be registered, or where such a person dies or becomes bankrupt or incapacitated, he or his representative shall, within 2 months or such longer period as the Comptroller may allow, make a return accounting for and pay tax on supplies made and received during the previous 12 months which have not otherwise been accounted for, subject to any adjustment for credit for input tax, and tax in respect of any payment or other consideration received for earlier supplies must be accounted for and paid when received.

(2) Where a business or part of a business carried on by an approved person is transferred as a going concern and paragraph 1 (2) of the First Schedule to the Act does not apply, the transferor shall within 2 months make a return accounting for and pay tax on supplies made and received during the previous 12 months which have not otherwise been accounted for, subject to any adjustment for credit for input tax, and tax in respect of any payment or other consideration received for earlier supplies must be accounted for and paid when received.

(3) Where a business carried on by an approved person is transferred in circumstances where paragraph 1 (2) of the First Schedule to the Act applies, the transferee shall continue to account for and pay tax as if he were an approved person on supplies made and received by the transferor prior to the date of transfer.

Revocation of approval

74.—(1) The Comptroller may by notice in writing revoke an approval in any case where —

- (a) the approved person has provided any false, misleading or inaccurate declaration or information in his application for approval under regulation 68;

- (b) an approved person has, while admitted to the scheme, been convicted of an offence in connection with goods and services tax or has accepted any offer of composition under section 75 of the Act or the Customs Act (Cap. 70) as applied by section 26 of the Act;
- (c) an approved person has, while admitted to the scheme, been assessed to a penalty under section 48 of the Act;
- (d) an approved person has claimed input tax as though he had not been admitted to the scheme;
- (e) an approved person has failed to comply with any condition or requirement imposed by the Comptroller under regulation 68; or
- (f) it is necessary to do so for the protection of the revenue.

(2) A person whose approval is revoked under paragraph (1) shall account for and pay on a return made in respect of his current prescribed accounting period all tax which has not been accounted for and paid in accordance with the scheme subject to any adjustment for credit for input tax.

Accounting while in scheme

75.—(1) Except in the circumstances set out in regulations 71, 72 and 73, tax shall be accounted for and paid to the Comptroller by the due date prescribed for the accounting period in which payment or other consideration for the supply is received.

(2) Input tax may be credited either in the prescribed accounting period in which payment or consideration for a supply is given, or in such later period as may be agreed with the Comptroller.

(3) An approved person shall obtain and keep for a period of 7 years, or such shorter period as the Comptroller may allow, a receipted and dated tax invoice from any taxable person to whom he has made a payment in money in respect of a taxable supply, and in such circumstances a taxable person must on request provide such a receipted and dated tax invoice.

Saving for Government

76. This Part shall, subject to such exceptions, modifications and adaptations as may be necessary, apply to a ministry or department of the Government or an organ of State.

PART X**DISPLAY OF PRICES
AND CERTIFICATES****Price to include tax**

77.—(1) Where any taxable person displays, advertises, publishes or quotes in any manner the price of any supply of goods or services he makes or intends to make, such price shall include the tax that is chargeable on the supply under the Act unless the Comptroller approves otherwise under regulation 78.

(2) Paragraph (1) shall not apply to any display, advertisement, publication or quotation which is intended solely for the purpose of making the supply to a taxable person and which is in a form not ordinarily available for distribution to the public.

Exemption

78.—(1) Any taxable person who desires to be exempted from the requirement under regulation 77, shall apply to the Comptroller in such form and manner as the Comptroller may determine.

(2) The Comptroller may, if he thinks fit, approve in writing the application, subject to such conditions as he may impose.

(3) The Comptroller may, for reasonable cause, at any time revoke any approval granted under paragraph (2).

Tax shown on receipt

79. Any taxable person who issues a receipt required under section 44 of the Act for any supply of goods or services which he makes shall indicate on the receipt —

- (a) the registration number of the supplier; and
- (b) the total amount payable including the total tax chargeable on the supply.

PART XI

SECONDHAND GOODS SCHEME

Relief for secondhand goods

80.—(1) Subject to regulation 81, where a taxable person has acquired any used goods (other than an interest in or right over land) under any of the following circumstances, the tax chargeable on a supply by him of any of these used goods shall be charged in accordance with section 23 (2) of the Act:

- (a) a supply to him on which no tax under the Act was chargeable; or
- (b) a supply to him on which tax was chargeable in accordance with section 23 (2) of the Act.

(2) Subject to regulation 81, where a taxable person supplies any goods under a hire purchase agreement which was acquired under any of the following circumstances, the tax on that supply shall be charged in accordance with section 23 (2) of the Act:

- (a) a supply to him on which no tax under the Act was chargeable; or
- (b) a supply to him on which tax was chargeable in accordance with section 23 (2) of the Act.

Application for relief

81.—(1) No person shall charge tax in accordance with section 23 (2) of the Act or regulation 80 unless he has obtained the prior approval of the Comptroller in writing.

(2) Any taxable person may apply to the Comptroller for approval under paragraph (1) in such form and manner as the Comptroller may determine and the Comptroller may, if he thinks fit, approve the application subject to such conditions as he may impose.

PART XII

BAD DEBT RELIEF

Definitions

82.—(1) In this Part —

“claim” means a claim in accordance with regulations 84 and 85 for a refund of tax to which a person is entitled by virtue of regulation 83;

“claimant” means the person who makes a claim;

“outstanding amount” means —

(a) if at the time of the claim the person has received no payment by way of the consideration written off in his accounts as a bad debt, an amount equal to the amount of the consideration so written off; and

(b) if at that time he has received a payment or payments by way of the consideration so written off, an amount by which the payment (or the aggregate of the payments) is exceeded by the amount of the consideration so written off;

“payment” means any payment or part-payment which is made by any person to the claimant by way of consideration for a supply regardless of whether such payment extinguishes the debtor’s debt to the claimant or not;

“debtor” means a person to whom the claimant made a relevant supply and who is liable to pay any outstanding amount of the consideration;

“refunds for bad debts account” has the meaning given in regulation 86 (3);

“relevant supply” means any taxable supply upon which a claim is based;

“return” means the return which the claimant is required to make in accordance with regulation 52;

“security” means any mortgage, charge, lien or other security.

(2) Sections 11 and 12 of the Act shall apply for determining the time when a supply is to be treated as taking place for the purposes of this Part.

Bad debt relief

83.—(1) Subject to these Regulations, a claimant shall be entitled, on making a claim to the Comptroller, to a refund of the amount of tax chargeable by reference to the outstanding amount where —

- (a) the claimant has supplied goods or services for a consideration in money and has accounted for and paid tax on the supply;
- (b) the whole or any part of the consideration for the supply has been written off in his accounts as a bad debt;
- (c) a period of 12 months beginning with the date of supply has elapsed or the debtor has become insolvent before the period of 12 months has elapsed; and
- (d) the Comptroller is satisfied that all reasonable efforts have been taken by the person to recover the debt.

(2) A person shall not be entitled to a refund under paragraph (1) unless —

- (a) the value of the supply is equal to or less than its open market value;
- (b) in the case of a supply of goods the property in the goods has passed to the person to whom they were supplied or to a person deriving title from, through or under that person; and
- (c) the claim was made within 7 years from the date of supply or such longer period as the Comptroller may have allowed.

(3) For the purposes of paragraph (1), the debtor shall be treated as insolvent if the claimant is able to show to the satisfaction of the Comptroller that —

- (a) in the case where the debtor is an individual, he is adjudged bankrupt, a deed of arrangement is made for the benefit of his creditors or a composition or scheme of arrangement proposed by him is accepted under section 95 of the Bankruptcy Act (Cap. 20);

- (b) in the case where the debtor is a company, it is ordered by the court —
 - (i) to be wound up because it is unable to pay its debts within the meaning of the Companies Act (Cap. 50); or
 - (ii) to be placed under the judicial management of a judicial manager; or
- (c) in the case where the debtor is a company, a receiver is appointed and the statement of affairs lodged with the Registrar of Companies shows that its assets would be insufficient to cover the payment of any dividend in respect of debts which are neither secured nor preferential.

Making claim to Comptroller

84.—(1) Except as the Comptroller may otherwise allow, the claimant shall make a claim to the Comptroller by including the correct amount of the refund in the appropriate box on his return.

(2) If at the time the claimant becomes entitled to a refund he is no longer required to make returns to the Comptroller, he shall make a claim to the Comptroller in such form and manner as the Comptroller may determine.

Evidence required to support claim

85. Except as the Comptroller may otherwise allow, the claimant, before he makes a claim, shall hold in respect of each relevant supply —

- (a) a copy of any tax invoice which was provided in accordance with Part III or where there was no obligation to provide a tax invoice, a document which shows the time, nature and purchaser thereof, and the consideration therefor;
- (b) records or any other documents showing that he has accounted for and paid the tax thereon;
- (c) records or any other documents showing that the consideration has been written off in his accounts as a bad debt; and
- (d) records or any other documents showing that all reasonable efforts have been taken by him to recover the debt.

Records to be kept

86.—(1) Any person who makes a claim to the Comptroller shall keep a record of that claim.

(2) Except as the Comptroller may otherwise allow, the record referred to in paragraph (1) shall consist of the following information in respect of each claim made:

(a) in respect of each relevant supply for that claim —

- (i) the amount of tax chargeable;
- (ii) the prescribed accounting period in which the tax chargeable was accounted for and paid to the Comptroller;
- (iii) the date and number of any invoice issued in relation thereto or, where there is no such invoice, such information as is necessary to identify the time, nature and debtor thereof; and
- (iv) any payment received therefor;

(b) the outstanding amount to which the claim relates;

(c) the amount of the claim; and

(d) the prescribed accounting period in which the claim was made.

(3) Any records created in pursuance of this regulation shall be kept in a single account to be known as the “refunds for bad debts account”.

Preservation of documents and records and duty to produce

87.—(1) Except as the Comptroller may otherwise allow, the claimant shall preserve the documents, invoices and records which he holds or keeps in accordance with regulations 85 and 86 for a period of not less than 3 years from the date of the making of the claim.

(2) Upon demand made by an authorised person the claimant shall produce or cause to be produced any such documents, invoices and records for inspection by the authorised person and permit him to remove them at a reasonable time and for a reasonable period.

(3) Nothing in this regulation shall be construed as derogating from any requirement under the Act to preserve any document, invoice or record for a period exceeding 3 years.

Attribution of payments

88.—(1) Where —

(a) the claimant has made more than one supply (whether taxable or otherwise) to the debtor; and

(b) a payment is received in relation to those supplies,

the payment shall be attributed to each such supply in accordance with paragraphs (2) and (3).

(2) The payment shall be attributed to the supply which is the earliest in time and, if not wholly attributed to that supply, thereafter to supplies in the order of the dates on which they were made, except that attribution under this paragraph shall not be made to any supply if the payment was allocated to that supply by the debtor at the time of payment and the consideration for that supply was paid in full.

(3) Where —

(a) the earliest supply and other supplies to which the whole of the payment could be attributed under this regulation occur on one day; or

(b) the supplies to which the balance of the payment could be attributed under this regulation occur on one day,

the payment shall be attributed to those supplies by applying for each supply the formula

$$A \times \frac{B}{C}$$

where A is the payment received;

B is the outstanding consideration for that supply; and

C is the total outstanding consideration for those supplies.

Repayment of refund

89.—(1) Where a claimant —

(a) has received a refund upon a claim; and

(b) (i) a payment for the relevant supply is subsequently received; or

(ii) a payment is, by virtue of regulation 88, treated as attributed to the relevant supply,

he shall repay to the Comptroller such an amount calculated in accordance with the formula

$$A \times \frac{B}{C}$$

where A is the amount of the refund, or the balance thereof;

B is the amount of payment so received or attributed; and

C is the amount of the outstanding consideration.

(2) The claimant shall repay to the Comptroller the amount referred to in paragraph (1) together with his tax by including that amount in the appropriate box specified for this purpose on his return for the prescribed accounting period in which the payment is received.

(3) Except as the Comptroller may otherwise allow, where the claimant fails to comply with the requirements of regulation 85, 86, 87 or 88, he shall repay to the Comptroller the amount of the refund obtained by the claim to which the failure to comply relates; and he shall repay the amount together with his tax by including that amount in the appropriate box on his return for a prescribed accounting period which the Comptroller shall designate for that purpose.

(4) If at the time the claimant is required to repay any amount he is no longer required to make returns to the Comptroller, he shall repay such amount to the Comptroller within one month after he receives the payment referred to in paragraph (1) and in such form and manner as the Comptroller may determine.

Writing off debts

90.—(1) This regulation shall apply for the purpose of ascertaining whether, and to what extent, the consideration is to be taken to have been written off as a bad debt.

(2) The whole or any part of the consideration for a supply shall be taken to have been written off as a bad debt when an entry is made in relation to that supply in the refunds for bad debts account in accordance with regulation 86; and this shall have effect regardless of whether a claim can be made in relation to that supply at that time.

(3) Where the claimant owes an amount of money to the debtor which can be set-off, the consideration written off in the accounts shall be reduced by the amount so owed.

(4) Where the claimant holds in relation to the purchaser an enforceable security, the consideration written off in the accounts of the claimant shall be reduced by the value of that security.

PART XIII

BETTING AND GAMING

Consideration of betting and gaming transactions

91. Subject to regulation 92, where any person pays an amount in money to participate in any transaction involving betting, sweepstakes, lotteries, fruit machines or games of chance, the amount of money so paid shall, for the purposes of the tax, be treated as the consideration for a supply of services to him.

Value of betting and gaming transactions

92.—(1) Notwithstanding section 17 of the Act, the value to be taken as the value of supplies made in the circumstances mentioned in regulation 91 in any period shall be determined as if the consideration for the supplies were reduced by an amount equal to the amount of money (if any) received in that period by persons (other than the person making the supply and persons acting on his behalf) participating successfully in the betting, sweepstakes, lotteries, fruit machines or games of chance, as the case may be.

(2) The insertion of a token into a machine shall be treated for the purposes of regulation 91 as the payment of an amount equal to that for which the token can be obtained; and the receipt of a token by a person playing successfully shall be treated for the purposes of paragraph (1) —

- (a) if the token is of a kind used to play the machine, as the receipt of an amount equal to that for which such a token can be obtained; or
- (b) if the token is not of such a kind but can be exchanged for money, as the receipt of an amount equal to that for which it can be exchanged.

Tax chargeable on betting and gaming transactions

93. The tax chargeable and payable under the Act on the transactions referred to in regulation 91 shall be the tax fraction of the value of the supplies referred to in regulation 92.

PART XIV**WAREHOUSING REGIME****Application for licence**

94.—(1) The Comptroller may, on an application made to him under paragraph (2), issue a licence for any warehouse or other premises to be a warehouse (referred to in this Part as a bonded warehouse) for the storage of goods subject to a warehousing regime under section 37 of the Act and may, in addition to such powers and conditions as are specified in this Part, impose such further conditions (including, but not limited to, the payment of any fees) therein as he thinks fit.

(2) Every application for a licence under paragraph (1) shall be made on such form as the Comptroller may determine which shall give a full and true account of the particulars or information for which the provision is made in the form.

Furnishing of security

95. The Comptroller may require an applicant to give references and to furnish security for the due payment of all tax and fees for which the applicant may become liable.

Period of licence

96.—(1) A licence issued under regulation 94 shall expire on 31st December of the year or such other date as the Comptroller may determine and the Comptroller may, in his discretion, renew the licence.

(2) The licensee may apply in writing to the Comptroller to surrender a licence issued under regulation 94 and the Comptroller may, unless he thinks it necessary for the protection of the revenue, withdraw the licence from such date as he may determine.

Maintenance of warehouse

97.—(1) The licensee shall ensure that a bonded warehouse shall be secured to the satisfaction of the Comptroller.

(2) The Comptroller may, at any time, in writing, direct the licensee to provide any additional means for storing the goods and securing the safety of those goods which may, in the opinion of the Comptroller, be necessary.

Types of goods stored

98.—(1) A bonded warehouse shall not be used for the storage of goods for which any duties (whether customs or excise or both customs duty and excise duty) is chargeable or payable or of goods other than those specifically allowed under the licence.

(2) A bonded warehouse shall not be used for the storage of goods for which tax has been paid (whether upon removal or any other circumstances) without the written permission of the authorised officer.

Manner of storage

99.—(1) Any authorised officer may require that all packages entering a bonded warehouse shall be marked with such identification marks and in such manner as he may direct.

(2) The authorised officer may direct that the packages be stacked and accounted for in such manner as he may direct and stored in such manner that every package may be accounted for and inspected.

(3) Any authorised officer may examine at any time the stock of goods stored in a bonded warehouse and, may require that he be shown every package containing goods and the contents thereof.

(4) The applicant shall make such provision against the risk of fire and for the safeguard of health as the relevant authority may require.

Records, returns and permits

100.—(1) Every licensee shall maintain in his bonded warehouse a record of his stock or inventory, in a form approved by the Comptroller, and shall on each day enter in it details of all goods received into or removed from his bonded warehouse.

(2) Every licensee shall, not later than the 5th day of each month or such later day as the Comptroller may allow, furnish to the Comptroller a return, in such form as the Comptroller may require, showing details of the balances and movement of all goods received into or removed from his bonded warehouse at the close of business on the last day of the previous month.

(3) Except where the Comptroller otherwise allows or directs in writing, every entry or removal of goods stored or to be stored in a bonded warehouse shall only be made pursuant to such customs permit as the Comptroller may determine.

(4) If it appears to the Comptroller that there is any deficiency in quantity that is indicated or ought to be indicated in the record of stock or inventory, the licensee shall, unless he shows proof to the contrary be presumed to have removed the goods in the bonded warehouse in contravention of paragraph (3) and without payment of the tax chargeable on the goods and shall accordingly be liable for the tax chargeable on the goods.

Destruction of goods

101.—(1) The licensee may at any time request permission to destroy goods stored in a bonded warehouse and the Comptroller shall, upon receipt of the request, permit the goods to be destroyed subject to such conditions as he may, in his discretion, impose and the licensee shall thereupon cause the goods to be destroyed in the presence of an authorised officer and an entry shall be made in the record of stock or inventory of such destruction.

(2) The fee specified in the Schedule for the attendance of the authorised officer at the destruction of the goods shall be paid by the licensee except where the Comptroller in his discretion waives the payment of such fee in any particular case.

Revocation

102. The Comptroller may, at any time, by notice in writing revoke any licence issued under regulation 94 if he is satisfied that —

- (a) the licensee has failed to comply with any condition or requirement imposed under this Part or by the Comptroller;
- or

- (b) the licensee has provided any false, misleading or inaccurate declaration or information in his application for a licence under regulation 94.

Licence fees

103.—(1) There shall be paid to the Comptroller the fees set out in the Schedule for any licence issued or renewed under regulation 94.

(2) For any licence issued during any year, the fee shall be calculated at the rate of one-twelfth of the appropriate annual fee set out in the Schedule for each month or part thereof for which the licence is valid.

(3) The Comptroller may, in his discretion, allow a refund of one-twelfth of the fee set out in the Schedule for each complete month in respect of which the licence would have remained valid had it not been revoked or withdrawn.

PART XV**GENERAL****Acquirer of land to account for tax**

104. A taxable supply of land made by any person to the State under the Land Acquisition Act (Cap. 152) shall be a prescribed supply for the purposes of section 38 (5) of the Act.

Zero-rating of goods to be exported

105. Where the Comptroller is satisfied that goods supplied by a taxable person are to be exported, the supply shall be zero-rated if the taxable person —

- (a) has obtained the prior approval of the Comptroller in relation to that supply;
- (b) produces such evidence of export as the Comptroller may require generally or in any particular case; and
- (c) complies with such other condition or restriction as the Comptroller may impose for the protection of the revenue.

Zero-rating of services supplied by trustee

106.—(1) For the purpose of section 21 (3) (r) of the Act, services supplied by a trustee shall be zero-rated if such services are supplied in respect of a trust in which —

- (a) not less than 80% of the settlors and not less than 80% of the beneficiaries consist of either or both of the following:
 - (i) individuals who are foreign persons; and
 - (ii) companies which are neither incorporated nor belong in Singapore, and the whole of whose issued capital is beneficially owned, directly or indirectly, by foreign persons; and
- (b) not less than 80% of the value of the trust property (whether in Singapore or elsewhere) is contributed by settlors who belong in a country other than Singapore.

(2) For the purposes of paragraph (1) —

- (a) a settlor or a foreign person who beneficially owns (directly or indirectly) issued capital in a settlor company shall be treated as belonging in a country if —
 - (i) he has in that country a business establishment or some other fixed establishment and no such establishment elsewhere;
 - (ii) he has no such establishment in any country but his usual place of residence is in that country; or
 - (iii) he has such establishments both in that country and elsewhere and the establishment of his which is most directly concerned with the trust is in that country;
- (b) a beneficiary or a foreign person who beneficially owns (directly or indirectly) issued capital in a beneficiary company, being in either case an individual, shall be treated as belonging in whatever country he has his usual place of residence if his beneficial interest does not relate to any business carried on by him; and
- (c) where sub-paragraph (b) does not apply, a beneficiary or a foreign person who beneficially owns (directly or indirectly) issued capital in a beneficiary company shall be treated as belonging in a country if —

- (i) either of the conditions mentioned in sub-paragraph (a) (i) or (ii) is satisfied; or
 - (ii) he has such establishments as are mentioned in sub-paragraph (a) both in that country and elsewhere and the establishment of his at which, or for the purposes of which, his beneficial interest is most directly concerned is in that country.
- (3) Where a trustee is unable by any reasonable means to ascertain the value of any trust property under paragraph (1) (b), the value to be ascribed to such property shall be such amount as the Comptroller may determine.
- (4) Notwithstanding paragraph (1), the services supplied by a trustee to which this regulation applies shall not include —
 - (a) services provided directly in connection with land or goods situated in Singapore, whether by the trustee personally or otherwise;
 - (b) services provided by any agent to execute or administer the trust on behalf of the trustee; and
 - (c) such other services as the Comptroller may determine.
- (5) Every trustee shall keep and maintain in respect of the trust such records of the particulars of every settlor and beneficiary of the trust as the Comptroller may determine.
- (6) Every trustee shall comply with such other conditions as the Comptroller may impose for the protection of the revenue.
- (7) In this regulation, unless the context otherwise requires —
 - (a) “foreign person” means a person who —
 - (i) in the case of an individual, is not a citizen of Singapore; and
 - (ii) in the case of a company, is neither incorporated in Singapore nor belongs in Singapore;
 - (b) “trustee” includes a trust corporation supplying the trust services but whose employee is named as the trustee in the trust deed;
 - (c) “usual place of residence”, in relation to a company, means the place where it is incorporated or otherwise legally constituted; and

- (d) a person carrying on a business through a branch or agency in any country shall be treated as having a business establishment in that country.

Distress

107.—(1) If upon written demand a person neglects or refuses to pay tax, or any amount recoverable as if it were tax (referred to in this regulation as the debtor), which he is required to pay under the Act, the Comptroller may distrain on the goods and chattels of the debtor and by warrant signed by the Comptroller direct any authorised person to levy such distress.

(2) A distress levied by the authorised person shall be kept for 5 days, at the costs and charges of the debtor.

(3) If the debtor fails to pay the sum due, together with the costs and charges within the said 5 days, the distress shall be sold by public auction by the authorised person for payment of the sums due and all costs and charges; and costs and charges taking, keeping and selling the distress shall be retained by the authorised person, and any surplus remaining after the deduction of the costs and charges and of the sum shall be restored to the owner of the goods distrained.

Offences

108. Any person who contravenes or fails to comply with regulation 10, 11, 12, 13, 44, 46, 47, 51, 53 (4), (5) and (6), 55 (2), 58, 59, 61, 72, 73, 75, 77, 79, 81, 85, 86, 87, 89, 97, 98, 99, 100, 101 or 106 shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and in default of payment to imprisonment for a term not exceeding 6 months.

THE SCHEDULE

Regulations 101 and 103

FEES

Fee Payable

1. Licence to warehouse —
 - (a) crude oil; or
 - (b) any petroleum product distilled or otherwise derived from crude oil, for which no duty (whether customs or excise duty or both customs duty and excise duty) is chargeable or payable
2. Licence granted to a licensee who operates the warehouse in which the average value of all goods stored in the warehouse in the period of 12 months immediately preceding the date of application for or renewal of a licence, as the case may be, is more than \$1 million but less than \$5 million
3. Licence granted to a licensee who operates the warehouse in which the average value of all goods stored in the warehouse in the period of 12 months immediately preceding the date of application for or renewal of a licence, as the case may be, is \$5 million or more
4. For all other warehouse licences where paragraphs 1, 2 and 3 do not apply
5. For the attendance of authorised officers which the destruction of goods is in progress
6. For the purposes of paragraphs 2 and 3 —
 - (a) the value of goods shall be determined, in the case of imported goods, in accordance with section 18 of the Act and, in the case of other goods, in accordance with section 17 of the Act; and
 - (b) the average value of all goods shall be equal to $\frac{A + B}{2}$

where A is the value of all goods in the warehouse at the beginning of the period referred to in paragraphs 2 and 3; and

B is the value of all goods in the warehouse at the end of the period referred to in paragraphs 2 and 3.

[G.N. Nos. S 509/93; S 18/94; S 108/94; S 244/94; S 174/95; S 491/95; S 400/98; S 361/99; S 371/99; S 461/99; S 7/2000; S 160/2000; S 576/2000; S 137/2001; S 182/2001]