

1 Learning Objectives



- ◆ What is GST?
- ◆ What is GST InvoiceNow Requirement?
- ◆ When is a business obligated to register for GST?
- ◆ What is taxable turnover?
- ◆ How to compute taxable turnover for different business constitutions?
- ◆ What are the factors to consider before registering for GST voluntarily?
- ◆ How to register for GST?
- ◆ What are the penalties for late registration?

2 Introduction to GST

Goods and Services Tax (GST)

Generally, GST is paid on:

- ◆ Purchases of goods and services made from local and overseas businesses that are registered for GST in Singapore; or
- ◆ Goods imported into Singapore.

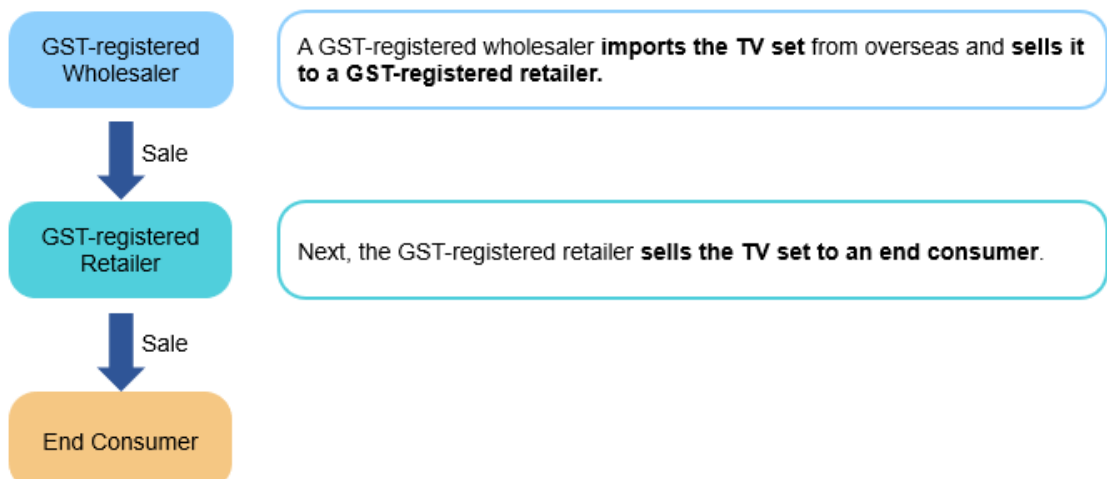
It is a tax on domestic consumption.

GST-registered businesses must charge GST on all the goods and services supplied in Singapore, except for those that are exempt from GST.

Output Tax and Input Tax

Output Tax	Input Tax
GST collected from customers must be paid to IRAS.	GST incurred on business purchases and expenses can be claimed from IRAS*. <i>*subject to conditions</i>

Let us look at an example to illustrate how GST works based on the supply chain of a TV set.



These are the **GST implications** for the import and supply of the TV set:

GST-registered
Wholesaler



Sale

GST-registered
Retailer



Sale

End Consumer

GST-registered Wholesaler

Import Value = S\$500

Selling Price = S\$700

GST incurred (9%) = S\$45 (Input tax claimable from IRAS)

GST charged (9%) = S\$63 (Output tax payable to IRAS)

Net GST to pay to IRAS = S\$63 – S\$45 = S\$18

GST-registered Retailer

Purchase Price = S\$700

Selling Price = S\$1,000

GST incurred (9%) = S\$63 (Input tax claimable from IRAS)

GST charged (9%) = S\$90 (Output tax payable to IRAS)

Net GST to pay to IRAS = S\$90 – S\$63 = S\$27

3 GST InvoiceNow Requirement

InvoiceNow is a nationwide e-invoicing initiative that facilitates the direct transmission of e-invoices in structured digital format from one finance system to another between suppliers and buyers. In Singapore, IMDA is our Peppol Authority.

GST-registered businesses will be required to onboard InvoiceNow and submit invoice data directly to IRAS via the InvoiceNow network to boost business efficiency and minimise compliance efforts. This can be done using off-the-shelf InvoiceNow-Ready Solutions or integration with InvoiceNow for in-house enterprise solutions.

If you belong to one of the following groups of businesses, you are excluded from the GST InvoiceNow Requirement:

- ◆ Overseas entities (including overseas vendors that are registered under the Overseas Vendor Registration regime); or
- ◆ Businesses registered under the Reverse Charge regime.

3.1 Benefits

There are various benefits of using InvoiceNow-Ready Solutions:

- ◆ **Simplicity:** You can use a single solution of your choice for invoicing across different parties and for tax compliance.
- ◆ **Efficiency:** You can improve your business efficiency. For instance, if you are a supplier, you can enjoy faster invoice issuance directly from your billing system. If you are a buyer, the invoice data goes directly into your accounting solution, reducing manual data entry and errors when keying the invoice into your accounting solution.
- ◆ **Reliability:** Invoices are reliably delivered over the secure InvoiceNow network based on the international Peppol standard.
- ◆ **Compliance:** You can expect shorter audits and faster refunds. You can also receive auto alerts for wrongful GST charging from non-GST registered suppliers. This feature is provided by some InvoiceNow-Ready Solution Providers, and helps businesses avoid incorrect input tax claims.

3.2 Implementation Timeline

To allow businesses sufficient lead time to prepare, the GST InvoiceNow Requirement will be implemented progressively, in the following phases:

Implementation Date	Businesses Involved
1 Nov 2025	Companies that register for GST voluntarily within 6 months of incorporation date
1 Apr 2026	All new voluntary GST registrants, regardless of their incorporation date or business structure
1 Apr 2028	All new compulsory GST registrants and existing GST-registered businesses with total annual supplies $\leq$ S\$200,000
1 Apr 2029	Existing GST-registered businesses with total annual supplies $\leq$ S\$1,000,000
1 Apr 2030	Existing GST-registered businesses with total annual supplies $\leq$ S\$4,000,000
1 Apr 2031	Existing GST-registered businesses with total annual supplies $>$ S\$4,000,000

Total annual supplies refer to the total value of standard-rated, zero-rated and exempt supplies made in all the prescribed accounting periods ending in calendar year 2025.

3.3 Steps to Onboard InvoiceNow

You may follow the 3 steps to onboard InvoiceNow:

- ◆ Ensure that your accounting or finance solution is InvoiceNow-Ready;
- ◆ Register for InvoiceNow and obtain a Peppol ID; and
- ◆ Enable the GST InvoiceNow submission feature.

For more information on InvoiceNow, click on [“IMDA InvoiceNow”](#).

For more information on the GST InvoiceNow Requirement, click on [“GST InvoiceNow Requirement”](#).

4 Registration Liability

GST registration liability is determined based on:

- ◆ Taxable turnover taking into consideration the Retrospective View and Prospective View;
- ◆ Rules under the Reverse Charge and Overseas Vendor Registration Regimes (applicable only to businesses with imported services and low-value goods); and
- ◆ The type of business constitution.

4.1 Taxable Turnover

Taxable turnover refers to the total value of all taxable supplies made in Singapore in the course or furtherance of your business.

Please note the following supplies to be included or excluded when determining your GST registration liability.

To be included	To be excluded
Standard-rated supply ◆ Local sale of goods and services	Exempt supply ◆ Sale and lease of residential properties ◆ Supply of financial services (including international services) ◆ Supply of investment precious metals ◆ Supply of digital payment tokens (from 1 Jan 2020)
Zero-rated supply ◆ Export of goods ◆ Provision of international services	Out-of-scope supply ◆ Sale of goods not brought into Singapore ◆ Private transactions

Taxable supplies

Taxable supplies can be standard-rated or zero-rated.

- 1 Standard-rated supply
 - ◆ Local sale of goods and services
 - ◆ GST is charged at the prevailing GST rate
- 2 Zero-rated supply
 - ◆ Export of goods and provision of international services
 - ◆ GST is charged at 0%

Exempt/Out-of-Scope Supplies

There are 2 more categories of supplies: exempt supply and out-of-scope supply.

- 1 Exempt supply
 - ◆ Supplies exempt from GST
- 2 Out-of-Scope supply
 - ◆ Supplies outside the scope of GST

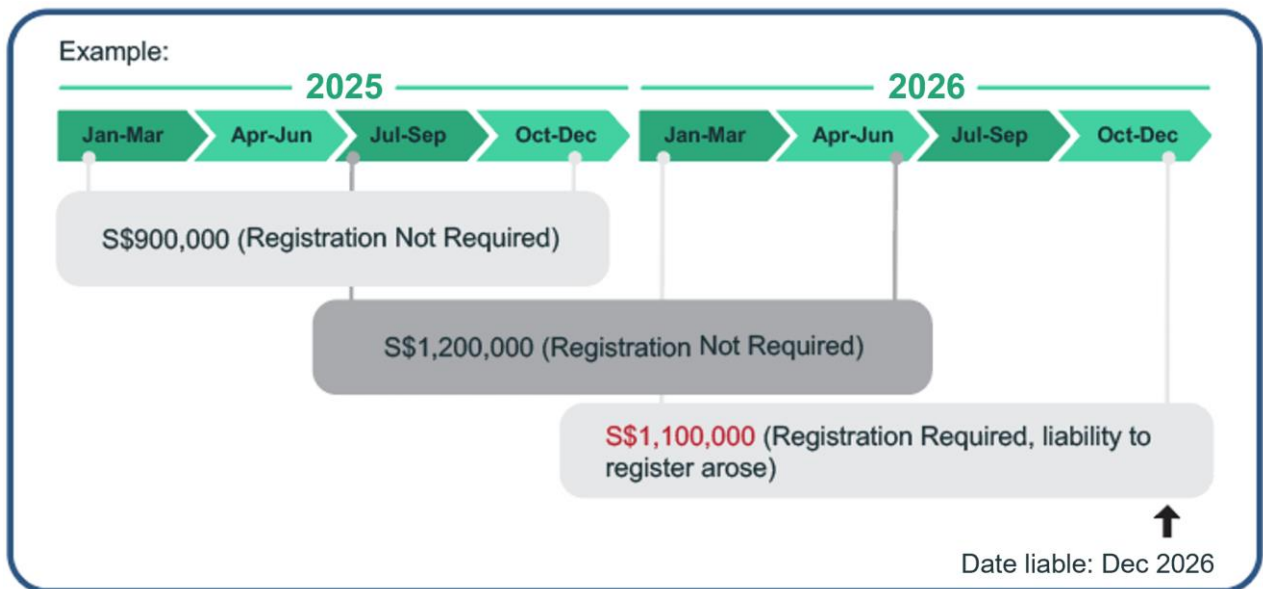
4.2 Retrospective View and Prospective View

In order to determine your GST registration liability, you have to ascertain the value of your taxable turnover under the Retrospective View and Prospective View.

You have to apply both the Retrospective View and the Prospective View when assessing if it is compulsory for you to register for GST.

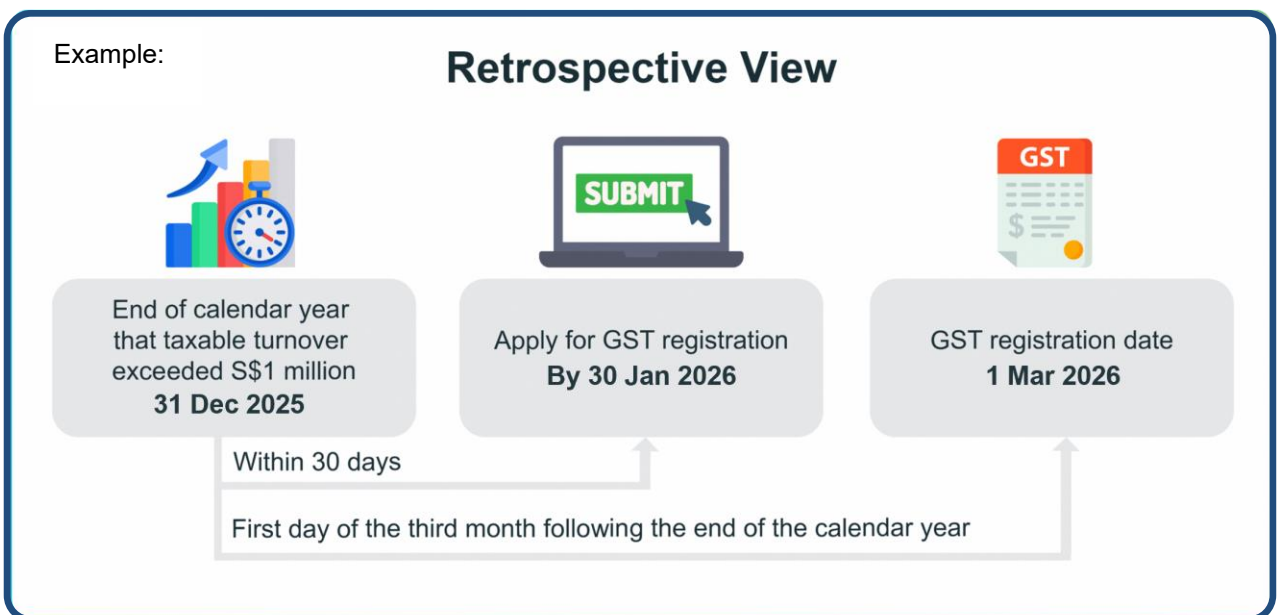
Retrospective View

- ◆ Assess your business's taxable turnover in the past calendar year to determine if GST registration is compulsory.
- ◆ You are required to register for GST if your taxable turnover for the calendar year from 1 Jan to 31 Dec is more than S\$1 million.



Once you are liable to register for GST, you need to apply for GST registration within 30 days from the end of the calendar year that you exceeded S\$1 million.

Your effective date of GST registration will be the first day of the third month following the end of the calendar year.



To help you determine if your past taxable turnover has exceeded S\$1 million and you are liable for GST registration, click on [“GST Registration Calculator”](#). This calculator helps you to compute your annual taxable turnover and determine whether you are required to register for GST.

Prospective View

- ◆ Assess your business's taxable turnover in the next 12 months to determine if GST registration is compulsory.
- ◆ It is compulsory to register for GST if your taxable turnover in the next 12 months is reasonably expected to be more than S\$1 million. The date where you reasonably expect your taxable turnover to be more than S\$1 million in the next 12 months is the date where your liability to register arose.

Example:

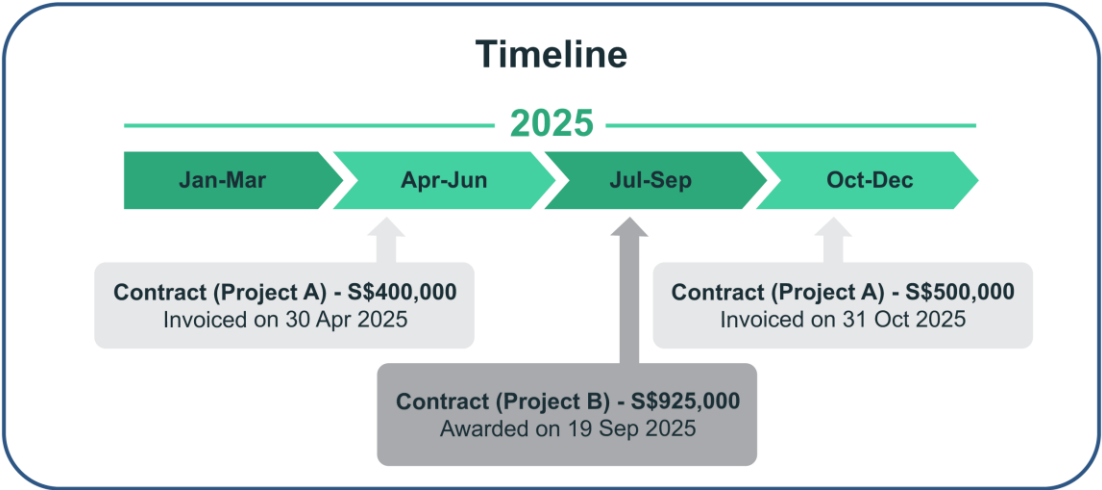
You signed a contract for Project A – worth S\$900,000 – on 1 Apr 2025. Thus, your 12-month review period for assessing GST registration liability is from 1 Apr 2025 to 31 Mar 2026.

Assuming there are no other expected sales during these 12 months, you are not required to register for GST as the expected taxable turnover is less than S\$1 million.

Contract Amount	Period Under Review (<i>next 12 months</i>)	Expected Taxable Turnover for next 12 months	Registration Required?
Contract (Project A) S\$900,000	1 Apr 2025 to 31 Mar 2026	S\$900,000	No

On 19 Sep 2025, you signed a contract for Project B – worth S\$925,000. Your 12-month review period is now from 19 Sep 2025 to 18 Sep 2026.

Assuming you issued an invoice for an amount of S\$400,000 for Project A on 30 Apr 2025 and will invoice the remaining S\$500,000 on 31 Oct 2025 which is after you were awarded Project B, the total expected taxable turnover in the next 12 months from 19 Sep 2025 will be S\$1,425,000.



Contract Amount	Period Under Review (<i>next 12 months</i>)	Expected Taxable Turnover for next 12 months	Registration Required?
Contract (Project A) S\$900,000	19 Sep 2025 to 18 Sep 2026	S\$925,000 + Remaining Value of Contract (Project A) of S\$500,000 = S\$1,425,000	Yes
Contract (Project B) S\$925,000			

Once you are liable to register for GST, you need to apply for GST registration within 30 days from the date you reasonably expect your taxable turnover for the next 12 months to exceed S\$1 million.

Your effective date of GST registration will be 2 months after the date your liability to register arose.



4.3 Additional Registration Rules

There are rules under the Reverse Charge and Overseas Vendor Registration Regimes that need to be taken into consideration when determining the GST registration liability. This is applicable only to businesses with imported services and low-value goods.

Low-Value Goods

Low-Value Goods are goods which at the point of sale:

- ◆ Are not dutiable goods, or are dutiable goods for which payment of duties is waived;
- ◆ Are not exempt from GST;
- ◆ Are located outside Singapore and are to be delivered to Singapore via air or post; and
- ◆ Have a value not exceeding S\$400.

Reverse Charge Regime

Businesses that import services and low-value goods, and are not entitled to full input tax claims if they were registered for GST, will be required to register for GST if the total value of imported services and low-value goods exceed S\$1 million.

Examples of businesses impacted by this rule are banks, insurance companies, developers of residential or mixed-use properties, charities or non-profit organisations that receive non-business receipts and investment holding companies that derive dividend income.

Overseas Vendor Registration Regime

Overseas vendors such as overseas suppliers, overseas electronic marketplace operators and overseas redeliverers that supply remote services and low-value goods to non-GST registered customers in Singapore, will be required to register for GST if their annual global turnover exceeds S\$1 million and their supply of remote services and low-value goods to non-GST registered customers in Singapore exceeds S\$100,000.

Local vendors such as local suppliers, local electronic marketplace operators and local redeliverers that supply remote services and low-value goods to non-GST registered customers in Singapore are required to register for GST if their taxable turnover exceeds S\$1 million. For marketplace operators and redeliverers, taxable turnover includes remote services and low-value goods made on behalf of third-party suppliers.

For more information on the additional registration rules, click on ["GST and Digital Economy"](#).

4.4 Types of Business Constitutions

Determining GST registration liability also depends on your business constitution as well.

How to compute the taxable turnover depends on whether the business is a company, sole-proprietorship or partnership.

Companies (e.g. private limited companies, limited liability partnerships)

A company is a separate legal entity. The taxable turnover of each company will be assessed separately to determine GST registration liability, and each company will be registered for GST individually.

If you set up another company, you have to determine the GST registration liability of each company individually.

Sole-proprietorships

To determine whether you need to register for GST as a sole-proprietor, you need to combine the taxable turnover of:

- ◆ All your sole-proprietorship businesses; and
- ◆ All income from your trade, profession or vocation.

If you set up another business in the future, you are required to combine the incomes of all sole-proprietorship businesses to determine your liability for GST registration.

GST registration will be in your name. One registration number will be issued to you regardless of the number of businesses you own.

Even if you have not registered a business as a sole-proprietor but if your taxable turnover of your trade, profession or vocation exceeds S\$1 million, you will still need to register for GST.

Partnerships

To determine whether you need to register your partnership business for GST, you need to combine the taxable turnover of all your partnership businesses with the same composition of partners.

Each of your partnership business will be registered for GST using the Unique Entity Number (UEN) and you will need to file separate GST returns for them.

5 Considerations for Voluntary Registration

Before you decide whether to register, you should assess the profile of your customers and suppliers as well as your ability to carry out the responsibilities required of a GST-registered business.

1. Profile of Customers

- ◆ Are they mainly GST-registered businesses who can claim the GST charged to them?
- ◆ Are they mainly end consumers who will end up paying a higher price as a result of your GST registration?

➡ Mainly GST-registered businesses who can claim the GST charged to them

If most of your customers are GST-registered businesses who can claim the GST charged to them, your sales may not be affected.

➡ Mainly end consumers who may be paying a higher price as a result of your GST-registration

If most of your customers are end consumers who are unable to claim the GST charged to them, they might choose an alternative non-GST registered supplier and your sales may be affected.

2. Profile of Suppliers

- ◆ Are they mainly GST-registered businesses?
- ◆ Do you currently pay GST on imports?

➡ If you answered YES to one or both questions

You benefit from being GST-registered as you can claim the GST incurred on your business purchases and imports

➡ If you answered NO to both questions

You will need to weigh the cost to comply fully with the responsibilities of a GST-registered business against the benefits of claiming input tax before you decide to register for GST.

3. Responsibilities

Consider if you can fulfil all the responsibilities of a GST-registered business.

- ◆ File accurate GST returns and pay the tax due in a timely manner;
- ◆ Charge and implement GST correctly in your business transactions;
- ◆ Keep all business and accounting records for at least five years, even if your business ceases or is deregistered from GST;
- ◆ Be familiar with the information used to prepare your GST returns, as GST returns are subject to audit; and
- ◆ Ensure due diligence checks are undertaken to avoid participating in any arrangement that is organised with the intention to defraud the tax authority of GST.

Penalties or surcharges may be imposed if there is non-compliance.

Should you decide to register for GST, to meet your tax obligations seamlessly and reduce compliance cost, you should use the recommended accounting software as listed on IRAS' website.

For more information on the accounting software, click on ["Accounting Software"](#).

Additional Information for Voluntary Registration

If you are registering for GST voluntarily you must also ensure that your accounting or finance solutions are able to comply with the GST InvoiceNow Requirement. GST registered businesses under voluntary registration will be required to use InvoiceNow-Ready Solutions to send invoice data to IRAS for tax administration.

Before registering for GST, you must complete the e-Learning course and pass the final quiz at Module 10.

Once registered, you are required to remain registered for at least two years, and must make taxable supplies within two years if you have not started making taxable supplies at the point of registration.

You are also required to be on GIRO for GST payment and refund.

In some cases, IRAS may require a Security Deposit to be furnished.

Once registered, you need to comply fully with the responsibilities of a GST-registered business, which includes the transmission of invoices to IRAS via the InvoiceNow network, as well as any other conditions which may be imposed by IRAS at any point in time during your registration. Your GST registration may be cancelled if any of the conditions are not met.

6 How to register for GST?

These are the steps to follow to register for GST:

1	You must first have a Singpass account and the Corppass Administrator of the business must have authorised you to access any of IRAS' digital services (e.g. Filing of Corporate Tax / Submission of Employment Income). So long as you are authorised to access any of IRAS' digital services, you may access the application form (GST F1) at myTax Portal to register for GST.
2	Log in to myTax Portal using your Singpass account. Click on "GST", followed by "Register for GST" to access the application form.
3	Please prepare the required documents in softcopy before you start the application process. You will be required to attach supporting documents at the end of the application process. For voluntary GST registration, one of the supporting documents is the acknowledgement page of the final quiz for the e-Learning course, which can be found at Module 10. For more information on the supporting documents, click on "Document Checklist" .

Businesses registering for GST on a voluntary basis are required to be on GIRO for GST payment and refund. If you are registering a company or partnership business for GST, you may apply for eGIRO via myTax Portal to enjoy smoother and faster approval by the bank. If you are registering a sole-proprietorship for GST, please mail the completed original copy of the GIRO application form to 55 Newton Road, Singapore 307987 after submitting your GST registration application online.

Businesses registering for GST on a compulsory basis are encouraged to sign up for GIRO for GST payment and refund. Alternatively, a business may sign up for PayNow. Business tax refunds will be processed only via GIRO or PayNow.

If you wish to register for GST for multiple partnerships or sole-proprietorships, you are only required to submit one GST application form. However, you will need to submit separate application forms for each company as they are each a separate legal entity.

For a step-by-step guide of the GST registration process, click on ["Applying for GST Registration"](#).

7 Penalties for Late Registration & Wrongful Collection of GST

Penalties for Late Registration

If you are required to register for GST compulsorily but fail to do so within the required time, your effective date of registration will be back-dated to the day that the liability to register arose.

You will be required to file your GST returns and account for GST to IRAS on all the past standard-rated supplies you have made since the effective date of registration, regardless of whether you can recover the GST on your past supplies from your customers.

You may also be liable to:

- ◆ A fine of up to S\$10,000; and
- ◆ A penalty equal to 10% of the tax due.

Wrongful Collection of GST

If you are not registered for GST and have wrongfully collected GST from your customers, you are encouraged to come forward, disclose the error and return the tax wrongfully collected to IRAS.

To find out more on how to disclose the wrongful collection to IRAS, click on ["Voluntary Disclosure for Wrongful Collection of GST"](#).

Module 2 Charging GST on Supplies – Standard-Rate

1 Learning Objectives



- ◆ What is a supply of goods or services?
- ◆ When should GST be charged?
- ◆ What is the value of supply?
- ◆ What is the time of supply?

2 Charging GST on Taxable Supplies

These concepts are applicable for both standard-rated and zero-rated supplies.

2.1 What Is a Supply of Goods or Services?

A supply is the provision of goods or services for a consideration.

For example, if a business sells laptops, it is making a supply of goods. If it provides personal training services, it is making a supply of services.

Before a business can charge GST, it is important to know if it is supplying goods or services because the GST treatment can differ for each of them.

Goods are possessions obtained with money or in kind and are usually tangible objects – such as household furniture. In addition, there are certain transactions that are deemed as goods under the GST Act.

Services refer to the performance of duty or work for another person and are usually intangible – such as hairdressing or cleaning services. Anything that is not considered goods, falls under services.

Example:

Goods	Services
Room for rent	Facial treatment
Luxury car	Barber haircut
Fresh flowers	

2.2 When Should GST Be Charged?

A GST-registered supplier needs to charge GST on the supply of goods or services made in the course or furtherance of the business if:

- ◆ The supply is made in Singapore; and
- ◆ The supply is taxable in nature.

Supply Made in Singapore

Goods

The supply of goods is considered to be made in Singapore under the GST Act if the goods are in Singapore or removed from Singapore at the time of supply.

If the goods are delivered directly from a place outside of Singapore to another place outside of Singapore, the supply is outside the scope of GST. You do not need to charge GST on this type of supply. This is also known as an out-of-scope supply.

Services

The supply of services is considered to be made in Singapore under the GST Act if the supplier belongs in Singapore.

The place where the supplier belongs depends on where the supplier has his business establishment or fixed establishment.

Business establishment refers to the principal place of business.

Fixed establishment refers to an establishment that has both technical and human resources necessary to provide or receive services on a permanent basis.

If the supplier has a business establishment or fixed establishment in Singapore and nowhere else, the supplier will be treated as belonging in Singapore. The supply of services will be considered to be made in Singapore and GST is chargeable.

If the business establishment and fixed establishment are all located outside Singapore, the supplier would be treated as belonging outside Singapore. The supply of services will be outside the scope of GST and GST is not chargeable.

If the supplier has a business establishment and/or fixed establishment both in Singapore and outside Singapore, the supplier has to determine which of the establishments is most directly concerned with the making of the supply of service.

If the establishment which is most directly concerned with the supply is in Singapore, the supplier will be treated as belonging in Singapore. The supply of services will be considered to be made in Singapore and GST is chargeable.

The table below is a summary of the belonging status of the supplier and whether GST is chargeable.

Presence of business establishment and/or fixed establishment	Establishment that is most directly concerned with the supply	Supplier considered to belong in	GST chargeable?
Only in Singapore	Not applicable	Singapore	Yes
Only outside Singapore	Not applicable	Outside Singapore	No
Both Singapore and outside Singapore	Singapore	Singapore	Yes
Both Singapore and outside Singapore	Outside Singapore	Outside Singapore	No

Supply Taxable in Nature

Under the GST Act, a supply made in Singapore can be exempt from GST or taxable in nature. GST is not chargeable on exempt supplies while GST is chargeable on taxable supplies.

Exempt supplies include the sale and lease of residential properties, provision of financial services, sale of investment precious metals and supply of digital payment tokens. GST is not chargeable on exempt supplies.

Taxable supplies consist of standard-rated supplies and zero-rated supplies.

Standard-rated supplies are generally local sales of goods and services. GST is charged at the prevailing GST rate.

Zero-rated supplies are export sales and international services. GST is charged at 0%.

3 Other Transactions

3.1 Sale & Disposal of Business Assets

You need to charge GST when you sell business assets such as old furniture, office equipment and commercial property, even if such a sale is not your main business activity.

For example, Company A is a GST-registered company which charges GST on its printing services. When it sells its printing machine to Company B, it needs to charge GST, and account for the GST to IRAS as its output tax.

Similarly, Company A must charge GST when it sells a commercial property such as its office building.

3.2 Giving Away Free Goods & Services

Sometimes businesses may provide goods and services to their customer, supplier or employee for free out of goodwill. Although no GST is charged, businesses still need to account for and pay output tax to IRAS for some of these free supplies.

Free Goods

When a business gives goods away for free, it is deemed to be making a supply of goods to the recipient under the GST Act. The business must account for output tax based on the open market value of the goods.

There are exceptions to this. If the cost of the goods excluding GST does not exceed S\$200, or if no input tax was claimed on the purchase of the goods in the first place, no output tax needs to be accounted for on the goods. Businesses also do not need to account for output tax on the provision of free food or accommodation to employees.

Free Services

When a business provides free services, it does not need to account for output tax. An example is providing shuttle bus services for employees from the MRT station to the workplace.

Cash Prizes

If you give cash prizes to employees, you do not need to account for GST because cash prizes are not treated as a supply.

3.3 Recovery of Expenses

In the course of your business, you may incur expenses on behalf of another party such as your related company or customer.

Whether you need to charge GST depends if the recovery of the expense is considered a reimbursement or disbursement.

In order to determine whether the recovery of expense is a reimbursement or disbursement, you will have to establish whether you have acted as a principal or agent in incurring the expenses.

Principal

Generally, you are acting as the principal in procuring the goods or services if you contract with the supplier for the goods and services in your own name. You are entitled to claim the input tax if you fulfil the input tax claiming conditions.

Agent

You are acting as the agent if you pay for the supply on behalf of another party and you are not a party to the contract. As an agent, you are not entitled to claim the input tax since the goods or services are not supplied to you.

You may use these indicators to help you determine whether you are acting as the principal or agent in the transaction.

Indicators	Principal	Agent
Contractual Liability	You contract for the goods or services in your own name and capacity	You arrange for the goods or services on behalf of another party; not a party to the contract
Legally Obligated to Pay	You are legally obligated to pay (tax invoice is issued in your name)	You are authorised by another party to make payment to the third-party supplier on his behalf (tax invoice is issued in the other party's name)
Alteration of Supply	You can alter the nature of the supplies and decide on the value of the expense to recover	You cannot alter the nature or value of the supplies made
Identities of Parties and Transactions	The supplier only knows you. The billing party does not know the cost incurred by you	The supplier knows you and the billing party. The billing party knows the exact cost incurred by you
Ownership of Goods	You own the goods	You do not own the goods

If you incurred the expenses as a principal, the recovery of expenses is considered a reimbursement. When the recovery of expenses amounts to a supply, GST is chargeable unless it qualifies as an exempt supply. You can claim input tax incurred on goods or services procured if the recovery of these expenses are for a taxable supply.

If you incurred the expenses as an agent, the recovery of expenses is considered a disbursement. You do not need to charge GST. You cannot claim GST since the goods or services are not supplied to you.

Reimbursement

In order to know how to charge GST for reimbursement, we need to first determine if the recovery of expenses is ancillary to or forms inputs to a primary supply of goods or services.

When you need to recover expenses, which you would not have incurred on their own if you were not making the primary supply, it would be considered as being ancillary to, or forming inputs to a primary supply of goods or services. Usually, you would recover such expenses as part of the overall price that you are charging the customer.

If you are merely helping to procure goods or services for another party's use out of convenience or for cost savings, the recovery of expenses would be considered as separate and not ancillary to or forming inputs to a primary supply of goods or services.

Ancillary to, or form inputs to a primary supply of goods or services

If the recovery of expenses is ancillary to, or forms inputs to a primary supply of goods or services, the GST treatment will generally follow the primary supply as you are recovering the expenses as part of the overall price that you charge the customer for the primary supply.

If the primary supply is standard-rated, the GST treatment for the recovery of expenses will be standard-rated.

Separate and not ancillary to, or does not form inputs to a primary supply of goods or services

If the recovery of expenses from the other party is separate and is not ancillary to, or does not form inputs to a primary supply, the GST treatment would depend on whether the recovery is at cost or with a mark-up.

Recovery at Cost

When the expenses are recovered at cost, the GST treatment for the reimbursement will be assessed based on the nature of the original supply.

If the original supply is a standard-rated supply, the GST treatment for the recovery of expenses will be standard-rated.

If the original supply is an exempt supply, the GST treatment for the recovery of expenses will be exempt if it falls within the description of goods or services listed in the Fourth Schedule to the GST Act.

Recovery with a Mark-Up

For recovery of expenses with a mark-up:

- ◆ GST treatment for the recovery of the full cost will be assessed based on the nature of the original supply;
- ◆ GST treatment for the mark-up is assessed as a separate supply of services.

Disbursement

In a disbursement, the supplier has contracted with the other party for the supply. When you pay the supplier on behalf of the other party and recover the expenses subsequently, there is no supply made by you to the other party.

Hence, the recovery of expenses will not be subject to GST.

Summary of Reimbursement and Disbursement

Recovery of Expenses	Reimbursement	Disbursement
GST Treatment	The recovery of expenses from another party may amount to a supply and may be subject to GST	The recovery of expenses does not constitute a supply and hence will not be subject to GST
Input Tax Claim	You are entitled to claim input tax incurred on goods or services procured by you if the subsequent recovery of such expenses constitutes a taxable supply	You are not entitled to any input tax claim since the goods or services are not supplied to you but to the other party

Summary of Reimbursement

Recovery of Expenses	Ancillary to, or forms inputs to a primary supply of goods or services	Not ancillary to, or does not form inputs to a primary supply of goods or services
GST Treatment	Follow the primary supply	Recovery at Cost: Assessed based on the nature of the original supply
		Recovery With a Mark-Up: ◆ Full cost recovery will be assessed based on the nature of the original supply ◆ Mark-up is assessed as a separate supply of services

For more information, click on ["Recovering Expenses"](#).

4 Rules on Charging and Accounting for GST

There are rules applicable for imported services, low-value goods and certain prescribed goods that need to be taken into consideration when charging and accounting for GST.

If your business imports services and low-value goods from overseas suppliers, you need to take note of the Overseas Vendor Registration and the Reverse Charge Regimes. Meanwhile, if you sell mobile phones, memory cards or off-the-shelf software, you need to take note of Customer Accounting.

4.1 Overseas Vendor Registration

Under the Overseas Vendor Registration Regime, overseas suppliers, electronic marketplace operators and redeliverers must charge GST on supplies of remote services and low-value goods made to non-GST registered customers in Singapore.

For more information, click on [“GST and Digital Economy”](#).

4.2 Reverse Charge

Under the Reverse Charge Regime, the supplies are considered to be made by the customers under the GST Act.

GST-registered customers subject to Reverse Charge, known as “RC businesses”, must account for GST on imported services and low-value goods, as if they were the supplier. Examples of imported services include IT, legal, marketing and accounting services.

The customer is an RC business if he imports services or low-value goods from overseas suppliers and he is not allowed to claim input tax in full.

Examples of RC businesses include:

- ◆ Banks;
- ◆ Insurance companies;
- ◆ Developers of residential or mixed-use properties;
- ◆ Charities or non-profit organisations that receive non-business receipts; and
- ◆ Investment holding companies that derive dividend income.

Example:

An RC business hires an overseas legal firm to provide legal services. The overseas legal firm charges S\$100 for legal services.

The RC business is considered the supplier under the Reverse Charge Regime and will account for output tax based on the prevailing GST rate to IRAS.

For more information, click on [“GST and Digital Economy”](#).

4.3 Customer Accounting

You are required to apply Customer Accounting under the following circumstances:

- ◆ Prescribed goods are sold to a GST-registered customer who is purchasing them for business purposes; and
- ◆ GST-exclusive sale value exceeds S\$10,000.

The prescribed goods are mobile phones, memory cards, and off-the-shelf software.

When Customer Accounting applies, the supplier must not charge GST or collect GST from the customer for the sale.

The customer must treat the sale as if it was made by him and account for it in his GST return.

Example:

A GST-registered supplier sells memory cards for S\$10,500 excluding GST to a GST-registered customer for the customer's business.

As Customer Accounting applies, the supplier will not charge and collect GST from his customer. The customer will treat the sale as if it was made by him and account for output tax based on the prevailing GST rate to IRAS.

For more information, click on [“Customer Accounting for Prescribed Goods”](#).

5 Value of Supply and Time of Supply

5.1 Value of Supply

GST is calculated on the value of the supply.

The value of supply for a transaction is the price or consideration paid by the customer to the supplier based on the Open Market Value but does not include GST.

Example:

When you sell a television to a customer for S\$2,000 before the addition of GST, S\$2,000 is the value of supply. The supplier should account for GST on the value of supply of S\$2,000 based on the prevailing GST rate.

When you give a 25% discount to the customer, the discounted selling price of S\$1,500, is now the value of supply. The supplier should account for GST on the value of supply of S\$1,500 based on the prevailing GST rate.

Related Parties

For sales to related parties, the value of supply is the Open Market Value of the goods or services and not the transacted price.

For example, if you sell a television at a discounted price of S\$800 to a family member when the Open Market Value of the television is S\$2,000, although the company receives S\$800 for the sale of the television, the company needs to account for output tax based on S\$2,000.

Absorbing GST

For example, your store usually sells a television at S\$2,000. In a normal situation, you would account for GST based on the value of supply of S\$2,000. If you were to absorb the GST amount, the S\$2,000 you received from the customer will be treated as inclusive of GST.

The output tax to account for can be calculated by multiplying the sum received from the customer by the tax fraction. The formula of the tax fraction is determined based on the prevailing GST rate.

$$\text{Tax Fraction} = \frac{(\text{Prevailing GST Rate})}{(100 + \text{Prevailing GST Rate})}$$

Since the S\$2,000 you received from the customer will be treated as inclusive of GST, we can work backwards to determine the output tax payable to IRAS. Using the tax fraction and prevailing GST rate of 9%, we calculate that the GST – and output tax payable to IRAS – would be S\$165.14. The value of supply would be S\$1,834.86.

Trade-Ins

A trade-in transaction is treated as two separate supplies for GST purposes.

When you accept trade-ins, you – the supplier – must charge GST on the full selling price of your goods and not on the net difference. The full selling price is the value of supply.

Example:

Suppose the retail price of a new television is S\$1,500. When your customer trades in his old television which is valued at S\$500, he will be required to pay an additional S\$1,000 for the new one. You should charge GST on the full amount of S\$1,500 and not charge GST only on the net difference of S\$1,000. If your customer is GST-registered, he should charge GST on the trade-in value of S\$500 to you.

5.2 Time of Supply

For most transactions, a supply is treated as taking place and GST will be accounted for at the earlier of the following events:

- ◆ The date the invoice is issued; or
- ◆ The date payment is received.

This is known as the Time of Supply Rule.

Example (with 1 invoice issued):

A software company issued an invoice for the sale of a computer software on 15 Jul 2025 for S\$23,000. They received the payment on 5 Oct 2025.

GST on S\$23,000 should be accounted for on 15 Jul 2025 based on the Time of Supply Rule, as it is the earlier of the 2 events.

Example (with more than 1 invoice issued):

The computer software was sold for S\$23,000. Let's suppose that the same company issued an invoice on 15 Jul 2025 for S\$13,000 and received payment on 30 Jul 2025.

Subsequently, they issued an invoice on 30 Sep 2025 for the balance of S\$10,000. No payment had been received for S\$10,000 as at 30 Sep 2025.

GST on the S\$13,000 should be accounted for on 15 Jul 2025, when the invoice was issued.

As the invoice on the balance of S\$10,000 was issued on 30 Sep 2025, GST has to be accounted for in the GST return even though the payment has not been received as at 30 Sep 2025.

There are exceptions to the Time of Supply Rule for these transactions:

- ◆ Instalment payments;
- ◆ Goods sold on "Approval" or "Sale or Return" terms;
- ◆ Sale of land and immovable properties;
- ◆ Supplies between connected persons;
- ◆ Continuous supplies of services; and
- ◆ For supplies that span the GST rate change date.

For more information on the exceptions to the Time of Supply Rule, click on ["When to Report Supplies in GST Returns"](#).

For more information on supplies that span the GST rate change date, click on ["GST Rate Change for Businesses"](#).

1 Learning Objectives



- ◆ When are supplies zero-rated?
- ◆ When do international services qualify to be zero-rated?
- ◆ When do exports of goods qualify to be zero-rated?
- ◆ What is the Major Exporter Scheme?

2 Zero-Rated Supplies

Zero-rated supplies refer to supplies where GST is chargeable at 0%. Zero-rated supplies include the provision of international services and export of goods.

2.1 International Services

A service is considered an international service, if the service falls within the description of international services under Section 21(3) of the GST Act. For a complete list of international services under Section 21(3) of the GST Act, click on [“Providing International Services”](#).

Here are 5 of the more widely used provisions:

Section 21(3)(a) of the GST Act

International transport of passengers and goods can be zero-rated under Section 21(3)(a) of the GST Act. Passengers and goods must be transported:

- ◆ From Singapore to a place outside Singapore;
- ◆ From a place outside Singapore to Singapore; or
- ◆ From a place outside Singapore to another place outside Singapore.

An example would be the sale of air tickets for a flight from Singapore to Japan.

Section 21(3)(e) of the GST Act

Services made directly in connection with land or buildings located outside Singapore can be zero-rated under Section 21(3)(e) of the GST Act. These may include:

- ◆ Services made in the course of the construction, repair, or maintenance of any building; and
- ◆ Services provided by estate agents, auctioneers, architects, surveyors and engineers relating to land.

An example would be an architect in Singapore who provides design services for a building located in China.

Section 21(3)(f) of the GST Act

Services performed directly in connection with goods located outside Singapore at the time the services are performed can be zero-rated under Section 21(3)(f) of the GST Act.

An example would be a local company that provides repair services for a computer network system in Malaysia.

Section 21(3)(i) of the GST Act

The following services which are performed outside Singapore can be zero-rated under Section 21(3)(i) of the GST Act:

- ◆ Cultural, artistic, sporting, educational or entertainment services;
- ◆ Exhibition or convention services; or
- ◆ Other services supplementary to those listed above - this includes organising the performance outside Singapore.

An example would be a local events company that organises a concert in Malaysia.

Section 21(3)(j) of the GST Act

Services supplied to an overseas person can be zero-rated under Section 21(3)(j) of the GST Act when it is supplied under a contract with an overseas person and directly benefits an overseas person who is outside Singapore at the time the services are performed. From 1 Jan 2020, services supplied to an overseas person can also be zero-rated if the services directly benefit a GST-registered person belonging in Singapore.

The services must not relate to land or goods in Singapore, other than goods for export.

An example would be the provision of market research services on the “price of medical services” for an overseas company.

2.2 Export of Goods

Any supply of goods exported out of Singapore can be zero-rated if the supplier is certain at the time of supply that, the goods supplied have been exported or will be exported, and he has or will have the required documents to support zero-rating the supply.

The required documents must be obtained within 60 days from the time of supply, which is the earlier of the following events:

- ◆ The date the invoice is issued; or
- ◆ The date payment is received.

The required export documents can be categorised into transaction and transport documents. Here are some examples of transaction and transport documents.

Transaction Documents	Transport Documents
◆ Purchase order from customer ◆ Invoice to customer ◆ Delivery note/packing list endorsed by the freight forwarder/handling agent ◆ Insurance documents with details of the shipment ◆ Evidence of payment received from customer ◆ Written instructions from customer to deliver the goods to his freight forwarder/handling agent	◆ Bill of lading (for exports via sea) ◆ Air waybill (for exports via air) ◆ Export permit (for exports via land)

If the supplier is unable to export the goods or obtain all documents within 60 days, he will have to standard-rate the supply of goods and charge GST at the prevailing GST rate.

Direct Export Arrangement

In a direct export arrangement, the supplier has custody of the goods to be exported and control over the export arrangement. The supply of goods can be zero-rated if the required documents to support zero-rating are obtained within 60 days from the time of supply.

Some examples of direct exports are:

- ◆ Export of goods by a supplier's freight forwarder or handling agent to its overseas customer; and
- ◆ Export of goods by a supplier's freight forwarder or handling agent as instructed by its local customer.

Indirect Export Arrangement

Indirect exports occur when the supplier does not have custody of the goods to be exported, or control over the export arrangement. The supply of goods can only be zero-rated if there is certainty at the time of supply that all the goods will be exported, and the required documents can be obtained within 60 days.

Some examples of indirect exports are:

- ◆ Export of goods by a supplier via its customer's freight forwarder or handling agent to its overseas customer; and
- ◆ Export of goods by a supplier who instructs a third-party to export goods to its overseas customer.

The types of documents required for these direct and indirect export arrangements will differ according to each export scenario. Click on ["Guide on Exports"](#) for the list of documents to maintain to support zero-rating the supply of goods.

Hand-Carried Exports

There are instances where goods sold to overseas customers are hand-carried out of Singapore by individuals. Zero-rating is allowed on such goods hand-carried out of Singapore. The person who hand-carries the goods out of Singapore can be:

- ◆ The local supplier;
- ◆ Overseas customer; or
- ◆ A person authorised by the local supplier or overseas customer to bring the goods out of Singapore.

This applies to goods sold to commercial buyers and excludes tourists who are eligible for a refund under the Tourist Refund Scheme.

The required documents will differ if the goods are hand-carried out of Singapore via Changi Airport or via Seletar Airport, Sea or Land.

(i) Goods Hand-Carried via Changi Airport

If goods are hand-carried out of Singapore via Changi Airport, the goods must be presented to Singapore Customs for inspection. In addition, transaction and transport documents will need to be obtained within 60 days from the time of supply to zero-rate the supply of goods to the overseas customer. The Hand-Carried Exports Scheme describes the 4 main steps that need to be taken for zero-rating the supply of goods.

1. Take up an export permit

The supplier must take up a valid export permit via TradeNet for the goods that will be hand-carried out of Singapore via Changi Airport.

2. Present the goods for inspection at the airport

The person bringing the goods out of Singapore (the carrier) must present the goods to Singapore Customs at the airport for inspection with the invoice, export permit, passport and travel documents. Singapore Customs will endorse the export permit if the goods and documentation are in order.

3. Bring the goods out of Singapore

The carrier must bring the goods with him in his hand-carry or check-in luggage out of Singapore within 12 hours after getting the endorsement from Singapore Customs.

4. Obtain documents to support the zero-rating of the hand-carried exports

The supplier must obtain the following documents within 60 days from the time of supply to support the zero-rating of the hand-carried export:

If GST was charged at 0% to the overseas customer at the time of supply	If GST was charged and collected at the prevailing GST rate from the overseas customer at the time of supply
1) Invoice issued to the overseas customer 2) Endorsed export permit 3) Evidence of payment received from the overseas customer If the required documents are not obtained within 60 days from the time of supply, GST will need to be accounted for at the prevailing GST rate.	1) Tax invoice issued to the overseas customer 2) Endorsed export permit 3) Evidence of payment received from the overseas customer 4) Evidence of payment made to overseas customer for the refund of GST that was previously charged 5) Credit note issued to overseas customer for the GST refunded If the required documents are not obtained within 60 days from the time of supply, the GST charged cannot be refunded to the overseas customer.

For more information on goods hand-carried out of Singapore via Changi Airport, click on ["Hand-Carried Exports Scheme"](#).

(ii) Goods Hand-Carried via Seletar Airport, Sea or Land

For such hand-carried exports, the supplier can zero-rate his supply to overseas customer if he maintains all of the following export evidence within 60 days from the time of supply:

Transaction Documents	Transport Documents
1) The supplier's invoice to the customer 2) Evidence of payment from the customer 3) Confirmation of goods received by the customer	1) Completed form: "Declaration of Carrier for Goods Hand-carried out of Singapore" (form found in Appendix 1 of the "Guide on Exports") 2) Copy of confirmed air/ferry ticket and boarding pass bearing carrier's name as the passenger 3) Extract of carrier's passport with his personal details and photograph, and extract of the relevant immigration endorsement of entry to a foreign country 4) Export permit stating the supplier as the exporter (for export via land, the export permit should include the vehicle number)

For more information on goods hand-carried out of Singapore via Seletar Airport, sea or land, click on ["Guide on Exports"](#).

Major Exporter Scheme

The Major Exporter Scheme (MES) helps to ease cash flow for businesses that import and export goods substantially. Businesses under the MES can import non-dutiable goods with GST suspended.

You must fulfil all the conditions below to qualify for the MES.

- 1) You must be GST-registered;
- 2) You must be active and financially solvent;
- 3) You must be importing or will be importing goods for your business purpose;
- 4) Your zero-rated supplies must account for more than 50% of the total supplies, or the value of your zero-rated supplies is more than S\$10 million for the past 12 months;
- 5) You have good internal controls and proper accounting records;
- 6) You have good compliance records with IRAS and Singapore Customs; and
- 7) You comply with other conditions that IRAS may impose from time to time.

For more details including how to apply for MES, click on ["Major Exporter Scheme"](#).

1 Learning Objectives



- ◆ When are supplies exempt from GST?
- ◆ When are supplies outside the scope of GST?

2 Exempt Supplies

Supplies that are exempted from GST include:

- ◆ Sale and lease of residential properties;
- ◆ Provision of financial services;
- ◆ Sale of investment precious metals; and
- ◆ Supply of digital payment tokens.

No GST will be charged on exempt supplies. However, you are still required to report exempt supplies in your GST return.

2.1 Sale and Lease of Residential Properties

The sale and lease of residential properties are exempt from GST. Residential properties refer to residential land and residential building.

A residential land is a vacant land that is zoned “Residential” in the Master Plan and the use of the land is approved for residential development.

A residential building is a building that is approved for use or to be used for residential purposes.

Here are some examples of buildings that are considered as residential properties and non-residential properties for GST purposes:

Residential	Non-Residential
Condominiums	Hospitals
Detached/semi-detached/terrace houses	Hotels
Strata landed houses	Boarding houses
Workers' dormitories	Chalets
Serviced apartments	Nursing homes
Students' hostels	Sports and recreation clubs with accommodation facilities
Homes for the aged	

The GST treatment on the sale and lease of residential properties depends on whether the residential property is unfurnished or furnished.

Sale and Lease of Unfurnished Residential Properties

If you sell or lease an unfurnished residential property, the sale or lease of the bare residential property is exempt from GST.

Any fixtures such as built-in cabinets and wardrobes, kitchen and sanitary wares, wall-mounted air-conditioners that are attached permanently to the residential property will be exempt from GST together with the bare residential property.

Sale and Lease of Furnished Residential Properties

All moveable furniture and fittings that are sold or leased together with the residential property are subject to GST.

The value of movable furniture and fittings on which GST is chargeable differs for a **sale** and **lease** arrangement.

Sale of residential property with movable furniture and fittings

When you sell a residential property with movable furniture and fittings, you are required to charge GST on the movable furniture and fittings based on the open market value. If the open market value of the movable furniture and fittings is not available, you will charge GST based on the costs of acquiring them.

Lease of residential property with movable furniture and fittings

When you lease a residential property with movable furniture and fittings, you are required to charge GST on the rental of movable furniture and fittings. The monthly rental of moveable furniture and fittings that is subject to GST is the difference between the monthly rental of the furnished residential property and the monthly rental of the bare residential property, which is 1/12 of the annual value of the residential property.

Example:

You enter into a lease agreement with Company B to lease a furnished residential property at a monthly rental of S\$3,500.

The annual value of the residential property is S\$36,000. Using the annual value, you can compute the monthly rental of the bare residential property. It is 1/12 of S\$36,000, which is S\$3,000.

The monthly rental of movable furniture and fittings is the difference of S\$3,500 and S\$3,000, which is S\$500.



You should report S\$500 as your standard-rated supply and S\$3,000 as your exempt supply in the GST return.

Let's assume that when the lease is renewed, due to an economic downturn, Company B manages to renew the furnished residential property at a monthly rental of S\$2,800. Let's also assume that the annual value of the furnished residential property remains unchanged at S\$36,000. The monthly rental of the bare residential property, which is 1/12 of S\$36,000, is S\$3,000.



Since the monthly rental of the furnished residential property is lower than the monthly rental of the bare residential property, you do not need to charge GST on the rental of movable furniture and fittings.

You should report the monthly rental of the furnished residential property of S\$2,800 as your exempt supply in the GST return.

2.2 Provision of Financial Services

The Fourth Schedule to the GST Act provides the full list of financial services that are exempt from GST. For more information on the full list of exempt financial services, please refer to the [list of financial services](#).

If the financial services qualify for both zero-rating and exemption under the GST Act, they should be reported as zero-rated supplies instead of exempt supplies.

A business does not have to be a financial institution to provide financial services. Financial services that businesses may make include provision of loans and exchange gains or losses.

Provision of Loans

When a business deposits money in a bank, it is regarded as providing a loan to the bank. The interest that the business receives from the bank is reported as its exempt supply.

Exchange Gains/Losses

When a customer makes payment in a foreign currency and the business exchanges the foreign currency for another currency, the exchange gain or loss is a supply for GST purpose. The absolute value of the net realised exchange gain or loss for each prescribed accounting period is the value of the exempt supply and this should be reported in the GST return.

Example:

During the accounting period 1 Jan 2025 to 31 Mar 2025, Company A realised exchange losses of S\$150 and S\$200 in the months of Jan and Mar respectively. In Feb, it realised exchange gains of S\$100.

Month	Realised Exchange Gain/Loss
Jan 2025	(S\$150)
Feb 2025	S\$100
Mar 2025	S\$(200)

Net realised exchange loss for the accounting period 1 Jan 2025 to 31 Mar 2025:
 $(S\$150) + S\$100 + (S\$200) = (S\$250)$

When reporting the realised exchange loss, Company A should only report the absolute value of the loss, which is S\$250.

Company A also received S\$400 interest income from a fixed deposit placed with a local bank in Feb.

Month	Realised Exchange Gain/Loss	Interest Income
Jan 2025	(S\$150)	
Feb 2025	S\$100	S\$400
Mar 2025	(S\$200)	

Total value of exempt supplies made by Company A in the accounting period 1 Jan 2025 to 31 Mar 2025:
 $S\$250 + S\$400 = S\$650$

2.3 Sale of Investment Precious Metals

The sale of investment precious metals in Singapore is exempt from GST.

Precious metals in the form of a bar, ingot, wafer or coin that meets certain criteria will qualify as investment precious metals.

Criteria for Bar, Ingot and Wafer

To qualify as investment precious metals and be exempt from GST, the following criteria must be met:

- ◆ It is gold of at least 99.5% purity, silver of at least 99.9% purity or platinum of at least 99% purity;
- ◆ It is capable of being traded on the international bullion market;
- ◆ It bears a mark or characteristic that is internationally accepted as guaranteeing its quality; and
- ◆ It is not a decorative or a collector's bar, ingot or wafer.

Criteria for Coin

To qualify as investment precious metals and be exempt from GST, the following criteria must be met:

- ◆ It is gold of at least 99.5% purity, silver of at least 99.9% purity or platinum of at least 99% purity; and
- ◆ It is or was legal tender in its country of origin.

2.4 Supply of Digital Payment Tokens

The exchange of digital payment tokens for fiat currency or other digital payment tokens, and the provision of loans of digital payment tokens, are exempt from GST.

A digital payment token refers to any cryptographically-secured digital representation of value that meets certain criteria. For more information, click on "[Digital Payment Tokens](#)".

3 Out-of-scope Supplies

GST is not charged on out-of-scope supplies and such supplies do not need to be reported in the GST return.

There are two types of transactions that qualify as out-of-scope supplies. These include sales of goods not brought into Singapore and private transactions which are non-business activities.

Example of sales of goods not brought into Singapore:

Company A sells chocolates to Company B. The chocolates are shipped directly from Company A's factory in China to Company B's branch in Japan. As the chocolates are delivered from a place outside Singapore to another place outside Singapore, the sale of chocolates is an out-of-scope supply.

1 Learning Objectives



- ◆ What are the conditions for claiming GST as input tax?
- ◆ When is input tax claimable?

2 Conditions for Claiming GST Including GST Incurred Before GST Registration

Conditions for Claiming GST

In order to claim GST on your business purchases and imports as input tax, you must meet all the following conditions for claiming GST:

- You must be GST registered;
- The goods or services must be supplied to you. For imports, the goods must be imported by you;
- The goods or services must be used or will be used **for the purpose of your business to make taxable supplies**;

GST incurred for non-business activities is not claimable. Some examples of non-business activities are activities conducted for philanthropic, religious, or political purposes, and free activities without commercial reasons.

If you engage in both business and non-business activities, you can only claim the portion of GST attributable to the making of taxable supplies arising from business activities.

For more information on how to determine if you are carrying on a business or non-business activity, click on ["Business Tests"](#).

- Local purchases must be supported by **tax invoices** or, under certain circumstances, by **simplified tax invoices**;

Tax invoices

For a tax invoice to qualify as a supporting document for input tax claim, it must contain the following information:

- The words "tax invoice";
- Name, address and GST registration number of the supplier;
- Invoice date;
- Identifying number (e.g. invoice number);
- Name and address of the customer;
- Description of the goods or services supplied;
- GST rate;
- Total amount payable excluding GST;
- Total amount of GST; and
- Total amount payable including GST

If the supplier issues a tax invoice in a foreign currency, it must contain all the information required in a tax invoice for GST purposes. In addition, the supplier must reflect the following information in the same tax invoice and convert them into Singapore Dollars:

- ◆ Total amount payable excluding GST;
- ◆ Total amount of GST; and
- ◆ Total amount payable including GST.

If you make a purchase in foreign currency, you must claim the GST based on the Singapore Dollar amount as reflected in the tax invoice.

Simplified tax invoices

You are allowed to use a simplified tax invoice instead of a tax invoice to support your input tax claim if the total amount payable including GST does not exceed S\$1,000. A simplified tax invoice requires less information than a tax invoice.

It must contain the following information:

1. Name, address and GST registration number of the supplier;
2. Invoice date;
3. Identifying number (e.g. invoice number);
4. Description of the goods or services supplied;
5. Total amount payable including GST; and
6. The words "Price payable includes GST".

Frequently Asked Questions

a. Can I claim the GST if the tax invoices were addressed to my employee?

Answer:

Generally, you are not allowed to claim the GST if the tax invoices were addressed to your employee, unless you can prove that your employee acted as your agent in receiving the goods or services. You should maintain evidence of reimbursements made to the employee and recognise the business expenses in your accounts.

b. If my business purchases are more than S\$1,000 with GST, can I use simplified tax invoices to support my input tax claims?

Answer:

Generally, you will need tax invoices that are addressed to your company to support your input tax claims.

However, as an administrative concession, you are allowed to use a simplified tax invoice to support your input tax incurred for **entertainment expenses on food and drinks**, even if the total amount payable including GST exceeds S\$1,000. However, you must keep records of payment and entertainment details (such as the name of the person entertained, the purpose of entertainment, and the name of the person who incurred the expenses) to support your input tax claim.

- v. Imports must be supported by import permits showing you as the importer of the goods;

- vi. The goods or services must be used for the making of **taxable supplies (i.e. standard-rated supplies and zero-rated supplies), or out-of-scope supplies which would be taxable if made in Singapore;**

If you only make exempt supplies, GST incurred for the making of exempt supplies is not claimable.

However, if you make exempt supplies in addition to taxable supplies or out-of-scope supplies which would be taxable if made in Singapore, you can claim GST if certain conditions are met. Click on [“Exempt Supplies”](#) for more information.

- vii. The input tax claims are not disallowed under the GST Act; and

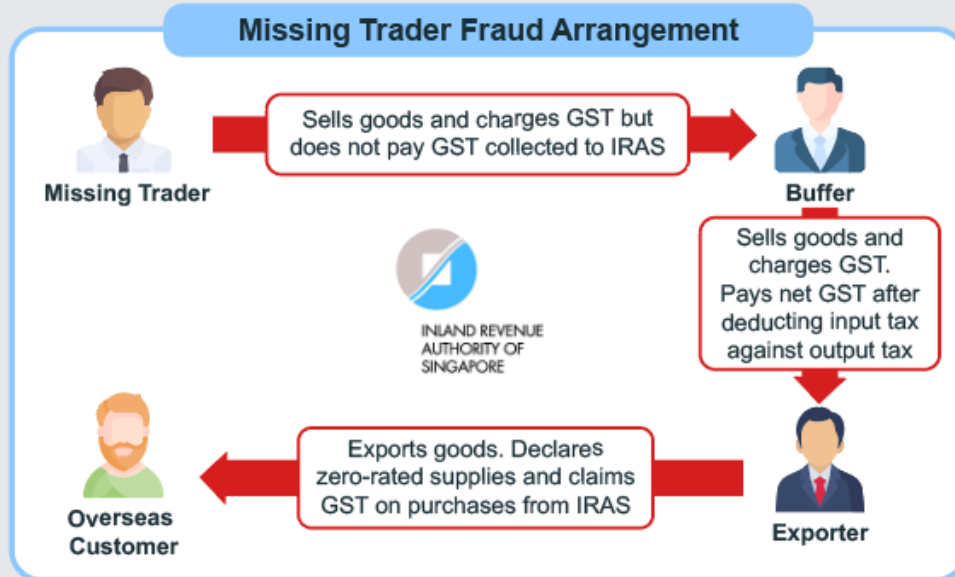
Here are the input tax claims which are disallowed:

1. Benefits provided to family members or relatives of your staff;
2. Costs and running expenses of motor cars that are either –
 - registered under the business' or individual's name, or
 - hired for business or private use,except where the car does not fall within the definition of a 'motor car' in Regulation 25(1) of the GST (General) Regulations. You can also claim input tax for the following specific scenarios:
 - (a) expenses incurred on private hire car services from 1 Apr 2022 to transport passengers from point-to-point in Singapore during the course of your business activities; or
 - (b) expenses incurred on a motor car that is used by a person other than you, your staff or related party such as your subsidiary; or
 - (c) expenses incurred on a motor car used by a related party where you have recovered the motor car expense in full from the related party and the recovery is not ancillary to any primary supply made by you to the related party.
3. Club subscription fees charged by sports and recreation clubs;
4. Transactions involving betting, sweepstakes, lotteries, fruit machines or games of chance;
5. Medical and accident insurance premiums (excluding those covered under the Work Injury Compensation Act or any Collective Agreement within the meaning of the Industrial Relations Act); and
6. Medical expenses incurred for your staff unless –
 - (a) the expenses are obligatory under the Work Injury Compensation Act or under any collective agreement within the meaning of the Industrial Relations Act; or
 - (b) the medical treatment in respect of expenses incurred on or after 1 Oct 2021 is provided in connection with any health risk or requirement arising on account of the nature of the work required of your staff or his work environment; and
 - (i) the medical expenses are incurred pursuant to any written law of Singapore concerning the medical treatment or the provision of a medical facility or medical practitioner; or
 - (ii) the medical treatment is related to COVID-19 and the staff undergoes such medical treatment pursuant to any written advisory (including industry circular) issued by, or posted on the website of, the Government or a public authority.

- viii. You have taken reasonable steps to ascertain and conclude that your goods or services were not part of a Missing Trader Fraud arrangement.

Missing Trader Fraud Arrangement

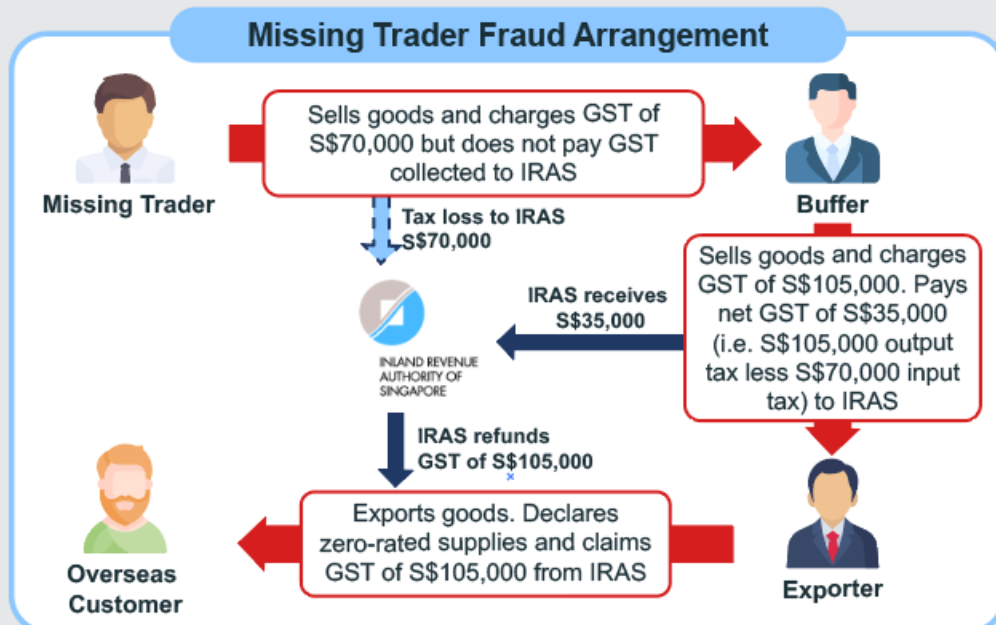
A Missing Trader Fraud arrangement is a scheme that involves goods being traded under contrived supply chains.



Under a Missing Trader Fraud Arrangement, the seller at the beginning of a supply chain (i.e. the Missing Trader) does not pay the GST charged on the goods sold to the intermediary businesses (i.e. the Buffers). The goods will ultimately be exported by the last supplier in the supply chain (i.e. the Exporter) to an overseas customer, with GST charged at 0% as the supply is zero-rated. The Exporter then claims from IRAS the GST which it paid on the purchase of the goods from the Buffer. Due to the failure of the Missing Trader in paying the GST to IRAS, IRAS suffers a tax loss when it refunds the GST to the Exporter.

One variation of the fraudulent arrangement, known as Carousel Fraud, involves repeatedly re-importing and re-exporting the same goods.

The figure below illustrates the tax loss to IRAS arising from the Missing Trader Fraud Arrangement.



The Missing Trader disappears before paying GST of S\$70,000 to IRAS while the Buffer pays the net GST of S\$35,000 to IRAS. When IRAS subsequently refunds the GST of S\$105,000 to the Exporter, there will be a tax loss to IRAS, which is the difference of S\$105,000 and S\$35,000. The tax loss to IRAS is S\$70,000, which is also the amount of output tax that the Missing Trader fails to account for to IRAS.

You will not be allowed to claim GST on any purchases which you knew or should have known to be part of a Missing Trader Fraud arrangement.

For more information, click on ["Missing Trader Fraud Arrangement"](#).

Conditions for Claiming GST Incurred Before GST Registration

You may claim GST incurred before GST registration provided additional conditions are met. The conditions for claiming GST incurred before GST registration are different for “Goods” and “Property Rental, Utilities and Services”.

Conditions for Claiming GST Incurred on Goods Before GST Registration

- a) You may claim GST in full, for goods acquired **within 6 months** before your GST registration date, provided the goods are still held by your business at the point of GST registration.

If you have sold, transferred or disposed of the goods before your GST registration date, GST is not claimable.

Example:

Company A was registered for GST on 1 Jan 2025. It is in the business of leasing and selling photocopier machines. It purchased 4 machines on 1 Oct 2024, which is within 6 months before its GST registration date, and incurred GST of S\$350 on each machine.

Company A sold 1 machine on 1 Dec 2024 and leased out 1 machine on 15 Dec 2024. 2 machines were unsold as at 1 Jan 2025.



Company A cannot claim the GST incurred on the machine that was sold before its GST registration date. Company A can claim the GST on the other 3 machines as these were still held by the company at its GST registration date. The amount of GST claimable would be S\$1,050 (3 x S\$350).



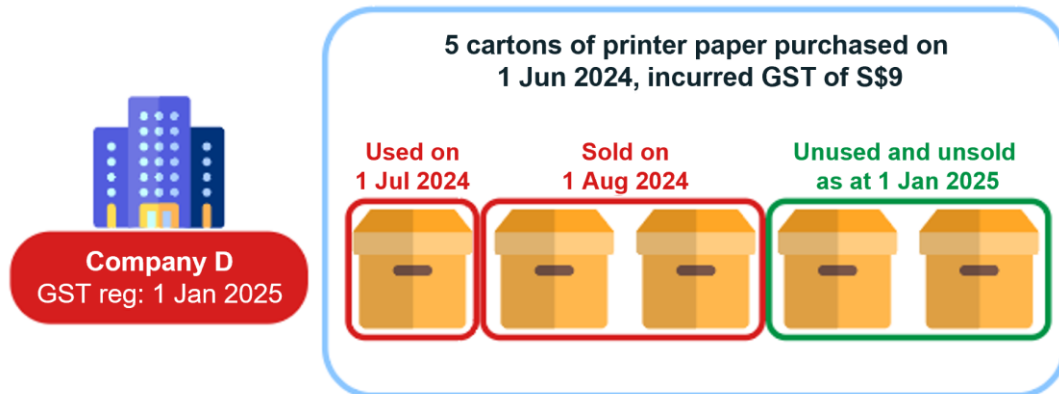
- b) You may claim GST in full for goods acquired **more than 6 months** before your GST registration date, provided the goods are not consumed or supplied before the GST registration date.

If you have partially consumed or supplied some of the goods before your GST registration date, you can only claim a portion of the GST incurred.

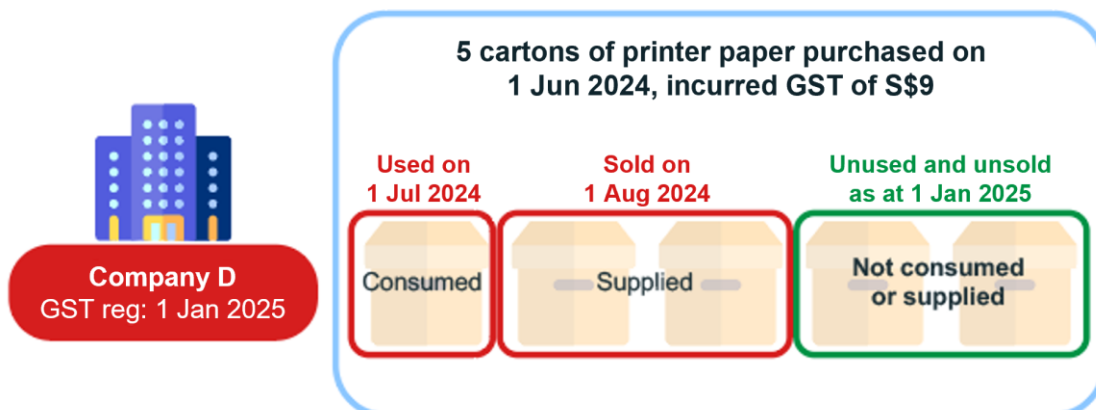
Example:

Company D was registered for GST on 1 Jan 2025. It is in the retail business of selling office and stationery supplies. It purchased 5 cartons of printer paper on 1 Jun 2024, which is more than 6 months before its GST registration date, and incurred GST of S\$9.

On 1 Jul 2024, Company A used 1 carton of printer paper for its own business use. It sold 2 cartons of printer paper on 1 Aug 2024. The remaining 2 cartons of printer paper were not used or sold by Company A as at 1 Jan 2025.



As Company A has consumed 1 carton and supplied 2 cartons of printer paper before its GST registration date, it cannot claim the full GST of S\$9. It can only claim the portion of GST incurred on the cartons of printer paper that are not consumed or supplied before its GST registration date.



GST can only be claimed on 2 of the 5 cartons of printer paper purchased on 1 Jun 2024.

Applying 2/5 on S\$9, the GST claimable is S\$3.60.

Conditions for Claiming GST Incurred on Property Rental, Utilities and Services Before GST Registration

a) GST incurred on Property Rental, Utilities and Services is claimable **in full** if:

- ◆ The purchases were incurred within 6 months before your GST registration date; and
- ◆ The purchases were not used to make supplies before your GST registration date.

For example, an event organiser incurred GST on advertising services within 6 months before its GST registration date, to promote an exhibition that was held after its GST registration date. The GST incurred is claimable.

b) GST incurred on Property Rental, Utilities and Services is **partially claimable** if the purchases were incurred within 6 months and used to make supplies straddling the GST registration date. Only the portion of the GST that is attributable to supplies made after GST registration date is claimable.

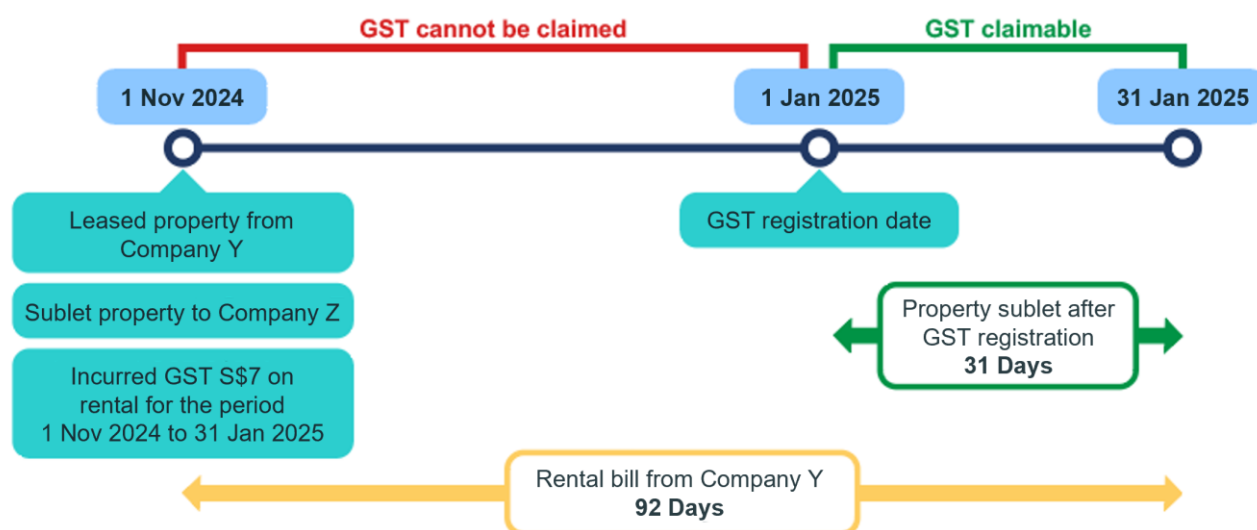
Example:

Company X was registered for GST on 1 Jan 2025. It leased a commercial property from Company Y on 1 Nov 2024. Let's assume that it also sublet the same property to Company Z on the same day.



Company X incurred GST of S\$700 on the rental for the period 1 Nov 2024 to 31 Jan 2025.

As Company X has sublet the property to Company Z before its GST registration date, Company X is not allowed to claim the full GST of S\$700 for the 3-month rental period. It can only claim the portion of GST attributable to supply made after its GST registration date.



The GST of S\$700 incurred is apportioned according to the number of days when the property was sublet after GST registration over the total rental period covered by the rental bill.

Applying 31/92 on S\$700, the GST claimable is S\$235.87.

For more information on claiming GST incurred before GST registration, click on ["Pre-Registration GST Claims"](#).

3 When Is Input Tax Claimable?

The input tax should be claimed in the accounting period corresponding to the date in the tax invoice or import permit. You can claim the input tax even if you have not made full payment to the supplier at the time of claiming.

For GST incurred on purchases before GST registration, submit your claims in the first GST return. You should also complete a [checklist](#) available on the IRAS website to do a self-review on your eligibility to make a claim.

Repayment of Input Tax Claimed

If you do not pay your supplier within 12 months from the due date of payment, you need to repay the input tax claimed to IRAS.

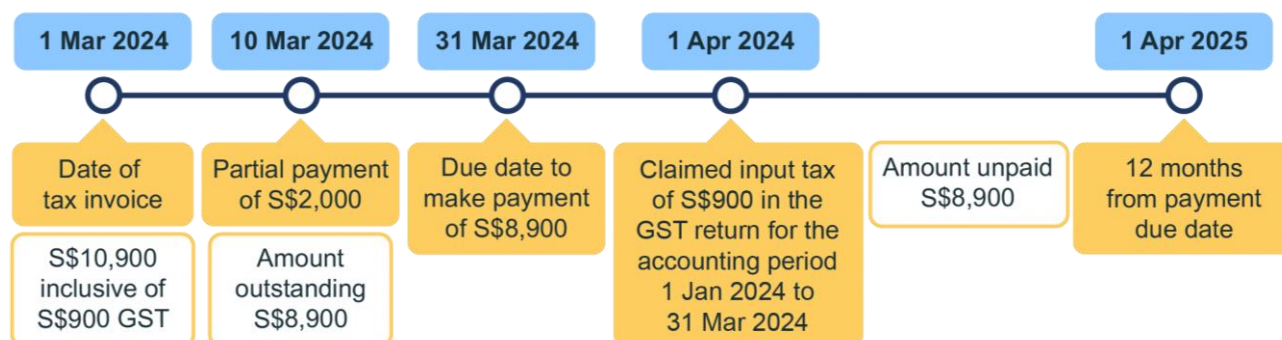
Example:

On 1 Mar 2024, your contractor issued you a tax invoice for S\$10,900. This amount was inclusive of 9% GST amounting to S\$900. The invoice was due for payment on 31 Mar 2024.

You made a partial payment of S\$2,000 to the contractor on 10 Mar 2024. The amount outstanding as at 31 Mar 2024 was S\$8,900.

You claimed input tax of S\$900 on the full invoice amount in the GST return for the accounting period 1 Jan 2024 to 31 Mar 2024.

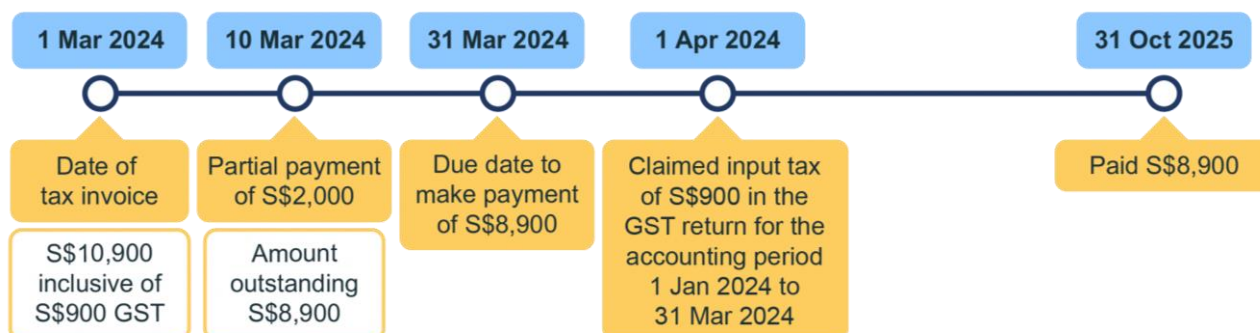
Let's assume that the amount of S\$8,900 remains unpaid within 12 months from the payment due date. On 1 Apr 2025, you will be liable to repay the input tax claimed.



Applying the tax fraction $\frac{9}{109}$ on S\$8,900, you are required to repay S\$734.86 to IRAS.

You will make the adjustments in your GST return for the accounting period 1 Apr 2025 to 30 Jun 2025 by reducing the total value of taxable purchases by S\$8,165.14 and input tax by S\$734.86.

Let's assume that you subsequently paid the contractor the outstanding amount of S\$8,900 on 31 Oct 2025. So long as you pay the contractor the full amount owed within 5 years from the end of the accounting period during which the input tax was first claimed, you may claim the input tax.



In this case, the amount of S\$734.86 will be claimed in the GST return for the accounting period 1 Oct 2025 to 31 Dec 2025.

You will declare S\$8,165.14 as the total value of taxable purchases and S\$734.86 as input tax.

1 Learning Objectives



- ◆ How to complete your GST return?
- ◆ What are the filing and payment due dates?
- ◆ How to amend your GST returns?

2 Completing a GST Return

2.1 Corppass Authorisation Process

You must first authorise staff to file GST returns via the Corppass system.

It is a good practice for the Corppass Administrator of the business to assign a staff with a Preparer role and another staff with an Approver role in the Corppass system.

You do have the option to assign only 1 staff to prepare and file the GST returns of the business. In this case, you will only need to assign the Approver role to the staff.

The staff assigned a Preparer role, should prepare the GST return for approval. He or she is not authorised to submit the GST return to IRAS.

The staff assigned an Approver role is authorised to approve the GST return prepared for his or her review.

He or she can also prepare and submit the GST return to IRAS independently.

The staff authorised to file the GST return will use their Singpass to log in via myTax Portal to prepare and submit the GST return.

For more information on the steps to authorise staff for GST filing, click on [“Overview of GST e-filing process”](#).

2.2 Steps to Complete a GST F5 Return

You are required to declare all your GST transactions for an accounting period in the GST F5 return.

For a more seamless filing experience, businesses are encouraged to file their GST returns using an accounting software that supports automated submission of GST returns via an Application Programming Interface (or API). Alternatively, businesses can file their GST returns via myTax Portal.

For more information, click on [“List of Accounting Software”](#).

There are 17 boxes in the GST return. All values entered must be in Singapore Currency.

Most businesses are only required to fill in Boxes 1 to 8 and 13.

- ◆ Boxes 1 to 5 are to report supplies and purchases;
- ◆ Boxes 6 to 8 are to report taxes; and
- ◆ Box 13 is to report revenue.

The other sections of the return are to be completed only by businesses under approved GST suspension schemes or with specific transaction types or claims.

Boxes 1 to 5

The first 5 boxes are to report supplies and purchases made in the accounting period and exclude out-of-scope supplies and purchases incurred without GST.

Box 1

The value to report in Box 1 is the value of supplies which are subject to GST at the prevailing GST rate.

This value should exclude the GST amount. For example, if goods were sold for S\$1,090 at a price inclusive of S\$90 of GST, S\$1,000 should be included in Box 1.

The value should include:

- ◆ Supplies of goods and services made in the course of business;
- ◆ Sale of business assets;
- ◆ Deemed supplies; and
- ◆ Imported services and low-value goods under the Reverse Charge and Overseas Vendor Registration Regimes.

The value declared should be net of the amount of credit notes issued or debit notes received for discounts or sales returns.

Box 2

The value to report in Box 2 is the value of supplies which are subject to GST at 0%.

The value should include international services and export of goods which qualify for zero-rating.

The value declared should be net of credit notes issued or debit notes received for discounts or sales returns.

Box 3

The value to report in Box 3 is the value of exempt supplies which includes the value from the sale and lease of residential properties, provision of financial services, sale of investment precious metals and supply of digital payment tokens.

Box 4

The value in Box 4 is the total supplies made in the accounting period. The amount is automatically computed after Boxes 1, 2 and 3 are completed.

Box 5

The value to report in Box 5 is the value of business purchases from GST-registered suppliers and imports of goods, where the conditions for claiming input tax are met.

This value should exclude the GST amount. For example, if goods were purchased for S\$545 at a price inclusive of S\$45 of GST, S\$500 should be included in Box 5.

The value in Box 5 should include:

- ◆ Purchases reflected in tax invoices issued by suppliers for standard-rated purchases, excluding purchases where input tax is disallowed;
- ◆ Purchases reflected in invoices issued by suppliers for zero-rated purchases;
- ◆ Purchases made before GST registration date for which you are allowed to claim the GST incurred;
- ◆ Imports as per import permits, including the value of goods imported with GST suspended; and
- ◆ Imported services and low-value goods subject to reverse charge.

The value declared should be net of the amount of:

- ◆ Credit notes received or debit notes issued for discounts or purchase returns; and
- ◆ Repayment of taxable purchases previously claimed from IRAS but not paid to the supplier within 12 months from the payment due date.

Boxes 6 to 8

Boxes 6 to 8 are to report taxes in the accounting period.

Box 6

The value to report in Box 6 is the GST charged on standard-rated supplies. For example, if goods were sold for S\$1,090 at a price inclusive of S\$90 of GST, S\$90 should be included in Box 6.

The value should include:

- ◆ GST charged on the items included in Box 1; and
- ◆ GST on bad debts recovered if you had made bad debt relief claims previously. Details about claiming of bad debt relief will be covered later in this module.

The value declared should be net of the GST amounts in credit notes issued or debit notes received for discounts or sales returns.

Box 7

The value to report in Box 7 is the GST incurred for business purchases from GST-registered suppliers and for import of goods where the conditions for claiming input tax are met.

For example, if goods were purchased for S\$545 at a price inclusive of S\$45 of GST, S\$45 should be included in Box 7.

The value should include:

- ◆ GST incurred on the standard-rated purchases included in Box 5;
- ◆ GST incurred on imports included in Box 5; and
- ◆ GST claimable on imported services and low-value goods subject to reverse charge.

The value declared should be net of GST amounts in:

- ◆ Credit notes received or debit notes issued for discounts or purchase returns; and
- ◆ Repayment of input tax previously claimed from IRAS but not paid to the supplier within 12 months from the payment due date.

Businesses with these specific types of transactions should also include these amounts in Box 7:

- ◆ GST refunds to tourist;
- ◆ Bad debt relief claims and refund claims for reverse charge transactions; and
- ◆ GST incurred before registration.

Box 8

The value in Box 8 is the net GST payable to or claimable from IRAS in the accounting period. The amount is automatically computed after Boxes 6 and 7 are completed.

Box 13

Box 13 is to report revenue of the business in the accounting period.

The value to report in Box 13 is from income sources of the business. For example, the provision of services, sale of goods and other operating income.

Non-operating income such as income from sale or disposal of fixed assets, grants received, and gross receipts collected on behalf of others should be excluded.

As the amount of revenue reported is based on accounting requirements and standards, the value in Box 13 may be different from the value declared in Box 4, which is the value of supplies based on GST requirements.

Box 9

Box 9 is to be completed by businesses under import GST suspension schemes, such as the Major Exporter Scheme.

The total value of goods imported with GST suspended is to be reported in Box 9. This forms part of the value entered in Box 5.

For example, if goods were imported under the Major Exporter Scheme, the value of goods imported must be reported in both Box 5 and Box 9.

As GST on imports is suspended, there will be no corresponding input tax claim in Box 7.

Boxes 10 to 12

Boxes 10 to 12 relate to tourist refund claims, bad debt relief claims, refund for reverse charge transactions and pre-registration input tax claims.

Box 10

Box 10 is only applicable to Central Refund Agencies and independent retailers approved by IRAS to operate the Tourist Refund Scheme.

If the conditions to claim a refund under the Tourist Refund Scheme have been satisfied, you may claim the GST refund amount in Box 7, indicate "Yes" in the box in this section and indicate the same amount claimed in Box 10.

For more information, click on ["Tourist Refund Scheme"](#).

Box 11

Box 11 is applicable to businesses that would like to make bad debt relief claims or refund claims for reverse charge transactions where payment is not made to an overseas supplier within 12 months. You should report the amount in Box 7, indicate "Yes" in this section and indicate the same amount claimed in Box 11.

Bad Debt Relief

Businesses that are unable to recover debts from customers may apply for relief to recover GST that has been accounted to IRAS.

Businesses must download and complete a checklist available on IRAS website to assess their eligibility before making the claim.

For more information, click on ["Checklist for Eligibility to Claim Bad Debt Relief"](#).

Refund for Reverse Charge

Businesses that are required to account for GST on imported services under the Reverse Charge Regime can claim a refund if payment is not made to overseas suppliers within 12 months.

Businesses must download and complete a checklist available on IRAS website to assess their eligibility before making the claim.

For more information, click on ["Checklist for Eligibility to Claim Refund for Reverse Charge Transactions"](#).

Box 12

Box 12 is only applicable if you are filing your first GST return and you are making pre-registration input tax claims. You should report the amount in Box 7, indicate "Yes" in this section and indicate the same amount claimed in Box 12.

Businesses must download and complete a checklist available on IRAS website to assess their eligibility before making the claim.

For more information, click on ["Checklist for Eligibility to Claim Pre-registration Input Tax"](#).

Boxes 14 to 17

Boxes 14 to 17 are applicable to businesses with imported services and low-value goods transactions only.

Box 14

Box 14 is applicable to Reverse Charge businesses who are required to account for GST for imported services and low-value goods.

You may indicate “Yes” under Box 14, include the value of imported services and low-value goods that is subject to GST in Box 1, and indicate the same amount in Box 14.

Boxes 15 and 16

Boxes 15 and 16 are applicable to local or overseas electronic marketplace operators and redeliverers supplying remote services and imported low-value goods on behalf of third-party suppliers under the Overseas Vendor Registration Regime.

For the supply of remote services on behalf of third-party suppliers, indicate “Yes” under Box 15, include the value of remote services on behalf of third-party suppliers that are subject to GST in Box 1 and indicate the same amount in Box 15.

For the supply of imported low-value goods on behalf of third-party suppliers, indicate “Yes” under Box 16, include the value of imported low-value goods on behalf of third-party suppliers that are subject to GST in Box 1 and indicate the same amount in Box 16.

Box 17

Box 17 is applicable to suppliers supplying their own supplies of imported low-value goods under the Overseas Vendor Registration Regime.

You may indicate “Yes” under Box 17, include the value of imported low-value goods that is subject to GST in Box 1, and indicate the same amount in Box 17.

For more information, click on [“Completing GST Returns”](#).

3 Filling and Payment Due Dates

Returns may be filed monthly or quarterly and most businesses file quarterly.

The quarterly accounting period is determined based on financial year end of the business as shown in the table.

FY end	Jan, Apr, Jul, Oct	Feb, May, Aug, Nov	Mar, Jun, Sep, Dec
Quarterly accounting periods	1 Nov - 31 Jan 1 Feb - 30 Apr 1 May - 31 Jul 1 Aug - 31 Oct	1 Dec - 28/29 Feb 1 Mar - 31 May 1 Jun - 31 Aug 1 Sep - 30 Nov	1 Jan - 31 Mar 1 Apr - 30 Jun 1 Jul - 30 Sep 1 Oct - 31 Dec

The due date for the submission of a GST return and payment of tax is 1 month after the end of the accounting period. For example, if the accounting period ends on 31 Mar, the due date for submission of the GST return and payment of tax would be 30 Apr.

IRAS encourages payments to be made electronically. For taxpayers’ convenience, IRAS accepts all electronic modes of payment, although GIRO is the preferred method of payment. GIRO is convenient and automatically allows taxpayers extended payment terms compared to the other modes of payment. For voluntary GST registrants, payment by GIRO is compulsory.

For taxpayers who are under GIRO arrangement for GST, payment deductions will take place on the 15th day of the month after the payment due date. For example, if the accounting period ends on 30 Sep, although the payment due date is on 31 Oct, the GIRO deduction will only take place on 15 Nov.

Here is a table showing the payment due dates for businesses without a GIRO plan and businesses with a GIRO plan.

	Without GIRO plan	With GIRO plan	
GST Accounting Period	Filing and Payment Due Date	Filing and Payment Due Date	GIRO Deduction Date
Jan - Mar	30 Apr	30 Apr	15 May
Apr - Jun	31 Jul	31 Jul	15 Aug
Jul - Sep	31 Oct	31 Oct	15 Nov
Oct - Dec	31 Jan	31 Jan	15 Feb

Being on a GIRO plan enables taxpayers to enjoy extended payment terms.

If the net GST to be paid to IRAS is less than S\$5, no payment needs to be made. Similarly, if the net GST to be claimed from IRAS is less than S\$5, no refund will be made to the business. The credit or debit amount of less than S\$5 will not be carried forward to the next accounting period.

4 Amending Your GST Returns

If a business discovers the need to correct errors of past GST returns, the business is required to file a GST F7 return immediately to amend the returns. Amendments should be made no later than 5 years from the end of the affected accounting period. If the only error made in your GST return is the value of revenue (Box 13), you are not required to adjust the revenue figure.

The business will need to request for the GST F7 return via myTax Portal.

The GST F7 return is treated as a new GST return for the accounting period. It will supersede the GST F5 return filed previously.

As an administrative concession, the business may choose to make adjustments in the next GST F5 return instead of filing a separate GST F7 return if these conditions are met:

- ◆ The errors do not relate to the amount of pre-registration claims reflected in Box 12 of the first GST return;
- ◆ The net GST amount payable in error for all the affected prescribed accounting periods is not more than S\$3,000; and
- ◆ The total amount in error for all the other boxes except for Box 6, 7 and 12 for each of the affected accounting periods is not more than 5% of the total value of supplies declared in the submitted GST return. If there was no supply made in the affected accounting period, the 5% rule applies to the total value of the taxable purchases.

The administrative concession is not applicable if the errors were made in the last GST return (i.e. GST F8 return) of the business.

Example:

In the accounting period 1 Jan 2025 to 31 Mar 2025, Company A declared S\$100,000 for its total value of supplies. Company A omitted a standard-rated supply (S\$10,000 and a GST amount of S\$900) and a taxable purchase (S\$1,000 and a GST amount of S\$90). As the errors do not relate to the amount of pre-registration claims reflected in Box 12 of the first GST return, the company has met the first condition to determine if the administrative condition applies.

The table summarises the errors made.

Accounting Period	
Company A	1 Jan 2025 to 31 Mar 2025
Omitted Based on the GST rate of 9%	
 Standard-rated supply S\$10,000 + S\$900 GST	 Taxable purchase S\$1,000 + S\$90 GST
Total value of supplies reported in GST F5 return	S\$100,000
Net GST amount payable in error	S\$810 (S\$900 – S\$90)
Total amount in error for all other boxes except Box 6, 7 and 12	S\$11,000 (S\$10,000 + S\$1,000)

The net GST amount in error was S\$810. As this amount did not exceed S\$3,000, Company A has met the second condition to determine if the administrative concession is applicable.

As the total amount in error for all the other boxes except for Box 6, 7 and 12 was S\$11,000 and this is more than 5% of the S\$100,000 declared as total supplies in the GST F5 return, the administrative concession would not apply as Company A has not met the final condition.

- Errors do not relate to the amount of pre-registration claims reflected in **Box 12** of the first GST return ✓
- Net GST amount payable in error is **not more than S\$3,000** ✓
- Total amount in error for all the other boxes except for Box 6, 7 and 12 for each of the affected accounting period(s) is not more than 5% of the total value of supplies declared in the submitted GST return ✗

The administrative concession is applicable only if all conditions are met. As such, Company A must file a GST F7 return for the accounting period 1 Jan 2025 to 31 Mar 2025 to correct the errors.

For filing of a consolidated GST F7 return, businesses may request for a GST F7 return in:

- ◆ The last accounting period of the year; or
- ◆ The last accounting period where an error is made, for the year.

The year refers to the financial, calendar or tax year.

Example:

Company Z	
Accounting periods where output tax was omitted	1 Jan 2025 to 31 Mar 2025 1 Apr 2025 to 31 Mar 2025
Output tax omitted	S\$10,000 (1 Jan 2025 to 31 Mar 2025) S\$10,000 (1 Apr 2025 to 31 Mar 2025)
Total output tax omitted S\$20,000	

After submitting the GST return for the accounting period 1 Jul 2025 to 30 Sep 2025, Company Z realised that it omitted to report additional output tax amounting to S\$20,000 for the accounting periods 1 Jan 2025 to 31 Mar 2025 and 1 Apr 2025 to 30 Jun 2025.

As the total GST amount in error is S\$20,000, it does not meet one of the conditions to apply the administrative concession of correcting the errors in the next GST F5 return.

Accounting periods where output tax was omitted	1 Jan 2025 to 31 Mar 2025 1 Apr 2025 to 30 Jun 2025
Total output tax omitted	S\$10,000 (1 Jan 2025 to 31 Mar 2025) S\$10,000 (1 Apr 2025 to 30 Jun 2025)
Request for consolidated GST F7 return for accounting period	1 Apr 2025 to 30 Jun 2025

For administrative convenience, Company Z may consolidate the adjustments and correct the errors in a single GST F7 return.

To adjust the past GST returns via a consolidated GST F7 return, Company Z should request for a GST F7 return for the last accounting period where an error was made, for the year. In this example, it would be for the accounting period 1 Apr 2025 to 30 Jun 2025.

Original output tax in GST F5 return for accounting period 1 Apr 2025 to 30 Jun 2025	S\$50,000
Revised output tax in GST F7 return for accounting period 1 Apr 2025 to 30 Jun 2025	S\$70,000 (S\$50,000 + S\$20,000)

Assuming the original output tax declared in the accounting period 1 Apr 2025 to 30 Jun 2025 was S\$50,000, Company Z should declare S\$70,000 in the GST F7 return for accounting period 1 Apr 2025 to 30 Jun 2025.

There will be a “Description of Errors” box in the GST F7 return. Company Z should indicate the accounting periods the errors relate to. In this example, it would be for the accounting periods 1 Jan 2025 to 30 Jun 2025.

You may download the [GST F7 calculator](#) to help you determine whether you may correct errors made in your next GST F5 return or consolidate errors for more than one accounting period and file them in a single GST F7 return.

For more information, click on [“Filing GST F7 Return”](#).

Module 7 Responsibilities of a GST-Registered Business

1 Learning Objectives



- ◆ What are the responsibilities of a GST-registered business?
- ◆ What are some of the consequences of non-compliance?

2 Responsibilities of a GST-Registered Business

Some key responsibilities of a GST-registered business are to:

- ◆ Submit accurate GST returns and pay tax in a timely manner;
- ◆ Charge and implement GST correctly in your business transactions;
- ◆ Keep all business and accounting records for at least 5 years;
- ◆ Be familiar with the information used to prepare your GST returns, as GST returns are subject to audit; and
- ◆ Ensure due diligence checks are undertaken to avoid participating in any arrangement that is organised with the intention to defraud the tax authority of GST.

2.1 Submit Accurate GST Returns and Pay Tax in a Timely Manner

As a GST-registered business, you must submit accurate GST returns and pay GST in a timely manner.

Submit Accurate GST Returns on Time

GST returns must be filed within 1 month from the end of each accounting period.

For GST returns not submitted on time:

- ◆ A late submission penalty of S\$200 will be imposed immediately and continue to be imposed for every completed month that a GST return remains outstanding, up to a maximum of S\$10,000 for each outstanding return;
- ◆ An estimated assessment may be issued on the tax due for the GST return which requires immediate payment; and
- ◆ A summons may be issued for the offence.

Pay Tax on Time

Costly penalties may be imposed if tax is not paid within 1 month from the end of each accounting period.

For payment not made on time:

- ◆ A 5% late payment penalty may be imposed on the tax payable; and
- ◆ An additional penalty of 2% per month may also be imposed if the tax remains unpaid 60 days after the imposition of the 5% penalty. The 2% penalty will be imposed for each completed month that the tax remains unpaid. The total additional penalty shall not exceed 50% of the unpaid tax.

IRAS may appoint an agent – your bank, customers or tenants – to recover any outstanding tax.

You may also be prevented from leaving Singapore until your outstanding tax has been settled.

Businesses are encouraged to pay by GIRO to enjoy a convenient payment arrangement and ensure that the payment due dates are not overlooked.

2.2 Charge and Implement GST Correctly in Your Business Transactions

As a GST-registered business, you must charge and account for GST correctly to ensure accurate filing of your GST returns.

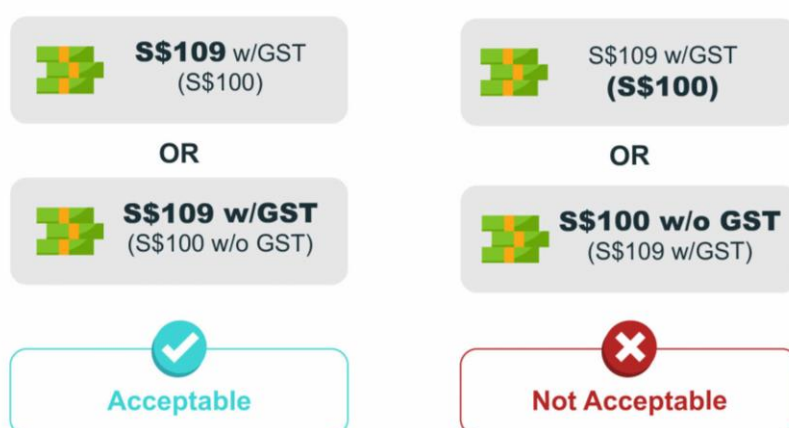
As part of your operations, you should display GST-inclusive prices and issue tax invoices with all the required information for GST purposes.

Display GST-Inclusive Prices

GST-registered businesses must show GST-inclusive prices on all price displays to the public. This includes prices shown on all tax invoices, receipts, price tags, price lists, advertisements and publicity brochures. Prices quoted to customers, whether verbal or written must also include the GST amount.



Businesses that decide to display GST-exclusive prices, must also display GST-inclusive prices. The GST-inclusive price must be at least as prominent as the GST-exclusive price.



An exception is made for businesses in the hotel and food & beverage industries. Due to the imposition of service charge, these businesses may have operational difficulties in displaying GST-inclusive prices. For this reason, these businesses can display GST-exclusive prices for goods and services that are subject to service charge. However, a statement informing customers that the prices are subject to GST and a service charge must be clearly shown.

Businesses that do not impose a service charge must display GST-inclusive prices.

Any non-compliance with the price display requirements is an offence that may result in a fine of up to S\$5,000.

Issue Tax Invoices

GST-registered businesses must issue tax invoices that contain all the required information for GST purposes. This is so that other GST-registered businesses have the right documents to support their input tax claims.

A tax invoice should be issued when a standard-rated supply is made to a GST-registered business. This should be issued within 30 days from the time of supply.

Under the GST Act, the required information on a tax invoice are:



Issue Tax Invoices for GST Purposes

1 TAX INVOICE

2 Supplier's Name
Supplier's Address
GST Reg No: 200312345A

3 Date: 01/01/2024

4 Invoice No: F012345

5 Customer's Name
Customer's Address

S/No	Description	QTY	Unit Price (\$)	Total (\$)
1	Printer X123	20	100	2,000.00
2	Photocopier XYZ1	4	1,000	4,000.00
7 Total			8	6,000.00
7 Add GST at 9%			9	540.00
Amount Due			10	6,540.00

1 The words "tax invoice"

2 Supplier's name, address and GST registration number

3 Invoice date

4 Identifying number (e.g. invoice number)

5 Customer's name and address

6 Description of the goods or services supplied

7 GST rate

8 Total amount payable excluding GST

9 Total amount of GST

10 Total amount payable including GST

If a tax invoice is issued in a foreign currency, the following items must be converted into Singapore Dollars using approved exchange rates for GST purposes:

- ◆ The total amount payable excluding GST;
- ◆ The total amount of GST; and
- ◆ The total amount payable including GST.

Some acceptable sources of exchange rates include:

- ◆ Local banks;
- ◆ Foreign central banks;
- ◆ Local circulated newspapers; and
- ◆ Reputable news agencies such as Bloomberg and Reuters.

Invoices issued for zero-rated supplies and exempt supplies as well as to non-GST registered customers do not need to have all the information required in a tax invoice. For non-GST registered customers, you may choose to issue receipts instead.

However, if a tax invoice is issued for zero-rated supplies, it is necessary to indicate that GST is charged at 0%.

A simplified tax invoice can be issued if the total amount payable including GST does not exceed S\$1,000. Less details are required in a simplified tax invoice.

A simplified tax invoice requires the following information:

The diagram shows a simplified tax invoice with the following details:

- 1** Supplier's Name, address and GST registration number: Supplier's Name, Supplier's Address, GST Reg No: 200312345A
- 2** Invoice date: 01/01/2021
- 3** Identifying number (e.g. invoice number): F012347
- 4** Description of the goods or services supplied: A table with 4 columns: Description, QTY, Unit Price, Subtotal. It lists 'Printer X123' (1 unit, 100.00) and 'Ink Cartridge' (3 units, 150.00).
- 5** Total amount payable including GST: 250.00 (labeled as 'Grand Total*')
- 6** The words "Price payable includes GST"

Description	QTY	Unit Price	Subtotal
Printer X123	1	100	100.00
Ink Cartridge	3	50	150.00
Grand Total*			250.00

A receipt or debit note can be treated as a simplified tax invoice if it contains all the required information found in a simplified tax invoice.

2.3 Keep All Business and Accounting Records for at Least 5 Years

As a GST-registered business, you must keep records of all your business activities. These include accounting records as well as records of your income, purchases, business expenses, and other business transactions.

Some examples of **accounting records** include:

- ◆ Stock lists to explain your trading stock on hand at the end of each accounting period;
- ◆ General ledgers to record your assets and liabilities, revenue and expenses;
- ◆ Statement of accounts such as Balance Sheet and Profit and Loss Statements; and
- ◆ Sales and purchase listings to explain your sales and purchase transactions.

Some examples of **income records** include:

- ◆ Tax invoices, simplified invoices and receipts issued to explain each sale transaction;
- ◆ Documents relating to your exports; and
- ◆ Evidence of payment received from customers.

Some examples of **records of purchases and business expenses** include:

- ◆ Purchase invoices and receipts received to explain each purchase transaction or business expense;
- ◆ Documents relating to your imports; and
- ◆ Evidence of payment to suppliers.

Some examples of **records of other business transactions** which affect the output tax and input tax reported in your GST return include:

- ◆ Checklist on eligibility to claim GST incurred before GST registration; and
- ◆ Checklist on eligibility to claim bad debt relief.

Documents are to be kept for at least 5 years from the end of the accounting period. This applies even if your business ceases or is deregistered from GST. For example, records relating to the accounting period 1 Jul 2025 to 30 Sep 2025 should be kept till 30 Sep 2030.

Any non-compliance with record keeping requirements is an offence that can result in a fine of up to S\$5,000 and/or imprisonment of up to 6 months.

2.4 Be Familiar With the Information Used to Prepare Your GST Returns, as GST Returns Are Subject to Audit

GST is a self-assessed tax. IRAS conducts regular audits to encourage voluntary compliance amongst taxpayers and ensure that everyone pays his fair share of tax. When a GST-registered business is familiar with the information used to prepare the GST returns, audits can be conducted efficiently by IRAS with little or no inconvenience to the business.

An audit may involve interviews over the phone, video conferences, site visits, letters and email exchanges. You may be required to submit documents as evidence of transactions reported in the GST returns. Your suppliers or customers may be required by IRAS to provide confirmation of information on purchases and sales as reported in your GST return.

During an audit:

- ◆ Any GST refunds may be withheld;
- ◆ Assessments may be raised to standard-rate supplies and/or disallow claims; and
- ◆ Penalties may be imposed for the submission of incorrect returns.

2.5 Ensure Due Diligence Checks Are Undertaken to Avoid Participating in Any Arrangement That Is Organised With the Intention to Defraud the Tax Authority of GST

As a GST-registered business, you should recognise and respond to risk indicators to avoid participating in a Missing Trader Fraud arrangement which is organised with the intent to defraud the tax authority of GST.

Step 1: Identify and assess risk indicators of transactions

You should identify and assess if there is a reasonable risk that the supply made to you or by you might be part of a Missing Trader Fraud arrangement. An example would be high-value deals offered to you by a newly established business, with no or minimal effort required to source for suppliers or customers.

Step 2: Perform due diligence checks to address the risks identified

You should perform adequate and appropriate checks to address the risks identified before entering into the transactions. For example, if a newly established supplier offers you a high-value deal, check the supplier's relevant experience in the trade and knowledge of the goods or services being provided.

Step 3: Respond to the risks and results of the checks

You must take adequate and appropriate actions and precautions in response to the risk indicators and results of the checks. Avoid participating in the transaction if you suspect that it is part of a Missing Trader Fraud arrangement.

If you are involved in a Missing Trader Fraud arrangement:

- ◆ You may expect a longer refund processing time due to extended audit and investigation;
- ◆ You will be denied your input tax claims on purchases that you knew or should have known were part of a Missing Trader Fraud arrangement;
- ◆ You will have to pay a 10% surcharge on the amount of input tax denied;
- ◆ You may be required to comply with conditions for the protection of revenue; or
- ◆ Your GST registration may be cancelled by IRAS.

Anyone with wilful intent to evade GST or assist any other person to evade GST faces a penalty of up to 3 times the amount of tax undercharged and a fine of up to S\$10,000 and/or imprisonment of up to 7 years.

For more information, click on [“Missing Trader Fraud Arrangement”](#).

For more information on this topic, click on [“Responsibilities of GST-Registered Businesses”](#).

Module 8 Compliance Tips for a GST-Registered Business

1 Learning Objectives



- ◆ What are some of the compliance tips for a GST-registered business?
- ◆ What is the purpose of a GST Assisted Self-help Kit?

2 Compliance Tips

The compliance tips for a GST-registered business can be categorised in 4 broad areas:

- ◆ People;
- ◆ Systems;
- ◆ Record keeping; and
- ◆ Internal controls and risk management.

2.1 People

You must ensure that the person who is responsible for GST reporting:

- ◆ Is familiar with GST filing and payment procedures;
- ◆ Has adequate GST knowledge to prepare the GST return. For example, the person should know whether supplies can be standard-rated, zero-rated or exempt, and what are the conditions for claiming input tax;
- ◆ Apply the correct GST treatment for all transactions; and
- ◆ Keep up-to-date on developments and changes in GST. One way to do so is to subscribe to IRAS eAlerts via the IRAS website, to receive notifications on GST updates.

If there is a change of staff responsible for GST reporting, the business should ensure that:

- ◆ The new staff is familiar with GST rules;
- ◆ There is a proper handover of the GST reporting function by the experienced staff to the new staff; and
- ◆ The new staff is authorised in myTax Portal to file GST returns.

2.2 Systems

Businesses are encouraged to use accounting software listed on the IRAS [website](#).

The use of accounting software will help businesses meet their tax filing and compliance obligations. Accounting for GST transactions and preparation of GST returns are easier. You will also be able to leverage on ongoing digital solutions offered by IRAS – for example, adopt seamless filing of GST returns via the use of an Application Programming Interface (API). Finally, you can swiftly retrieve transactional information commonly requested by IRAS during an audit, saving time and resources.

Businesses that supply goods and hold inventory are encouraged to use an electronic inventory management and control system for efficient tracking of the movement of goods.

2.3 Record Keeping

Businesses are encouraged to adopt good record keeping practices such as:

- ◆ Timely accounting of transactions;
- ◆ Maintaining electronic records including correspondences for easy storage and retrieval; and
- ◆ Ensuring that the record keeping processes are well documented and can be easily handed over in the event of a change in staff handling GST matters.

2.4 Internal Controls and Risk Management

Good internal controls will ensure accuracy in accounting and filing of GST returns. Some good practices include introducing:

- ◆ A procedure to require a second level of review of the GST return before it is filed; and
- ◆ A process to review GST treatment of exceptional transactions that are not part of the usual business activities.

Missing Trader Fraud, or MTF, is a scheme used by crime syndicates to defraud the tax authority of GST. Businesses should ensure they are not unwittingly part of an MTF arrangement by:

- ◆ Implementing a process to identify, monitor and manage MTF risks;
- ◆ Ensuring that the risk indicators for MTF are monitored in a timely manner; and
- ◆ Training employees to recognise MTF risk indicators to prevent or minimise the impact to their business.

3 GST Assisted Self-Help Kit

The GST Assisted Self-help Kit is a comprehensive self-assessment compliance package that aids businesses to review the accuracy of their GST submissions and discover past errors early. It is especially useful for newly GST-registered businesses to self-assess their GST submissions.

There are 3 sections in the kit.

- ◆ Section 1 consists of a questionnaire to help businesses assess the adequacy of their internal GST processes to ensure overall GST compliance;
- ◆ Section 2 consists of a checklist with a set of questions to help businesses to perform quality checks on their GST returns before submission; and
- ◆ Section 3 consists of a 5-step process to guide businesses to conduct a self-review of their GST returns filed in the past financial year to detect errors.

By using this comprehensive self-assessment compliance kit, you will:

- ◆ Have a better understanding of GST requirements on filing and record keeping, and ensure overall GST compliance;
- ◆ Ensure completeness and accuracy of your GST returns; and
- ◆ Discover past GST errors early for timely disclosure to IRAS to avoid or minimise costly penalties.

For more information, click on ["Assisted Self-Help Kit"](#).



Module 9

Cancelling GST Registration

1 Learning Objectives



- ◆ When and how to apply for cancellation of GST registration?
- ◆ What do you need to do after cancelling your GST registration?

2 When and How to Apply for Cancellation of GST Registration

There are circumstances when it is compulsory for a business to cancel its GST registration, and when it may do so voluntarily.

Compulsory Cancellation of GST Registration

A business must apply for cancellation of GST registration within 30 days once:

- ◆ It has stopped making and does not intend to make taxable supplies in future;
- ◆ It has ceased;
- ◆ It is transferred as a whole to another person; or
- ◆ Its business constitution has changed.

Example of a change in business constitution that would warrant a cancellation of GST registration for a business:

If a sole-proprietorship is converted into a private limited company, the sole-proprietor should cancel his GST registration within 30 days of the change in business constitution. The need to cancel the GST registration is on condition that the sole-proprietor no longer makes taxable supplies from his other trades, profession or vocation.

The new company should register for GST within 30 days of the change in business constitution. However, the company can choose not to register for GST if it is not liable for compulsory GST registration.

Voluntary Cancellation of GST Registration

Businesses may apply to cancel their registration voluntarily if their taxable turnover is below S\$1 million on a calendar year basis.

However, businesses previously registered on a voluntary basis must remain registered for at least 2 years before they can cancel GST registration.

How to Apply for Cancellation of GST Registration

The authorised Approver should log in to myTax Portal using his Singpass account. Click on “GST”, followed by “Cancel GST Registration” to access the application form.

IRAS will notify the business of its GST cancellation date after the application is approved.

A business that has cancelled its GST registration should stop charging and collecting GST with effect from its GST cancellation date. It is an offence to continue to do so.

In the GST cancellation notice, the business will be notified to file a final GST return, known as GST F8, via myTax Portal within 1 month from the last day of its GST registration.

The business is also required to account for GST up till the last day of its GST registration, file all outstanding GST returns and make payment where necessary.

In the final GST return, the business also needs to account for output tax at the prevailing GST rate, on business assets where GST was previously claimed and still held by the business on its last day of GST registration.

There is no need to account for output tax on business assets if:

- ◆ No input tax was claimed on the purchase of the assets;
- ◆ The total open market value of the assets is S\$10,000 or less; or
- ◆ The whole business is transferred as a going concern to another GST-registered business.

For example, Company A had previously claimed input tax on equipment and a non-residential property purchased at a cost of S\$50,000 and S\$800,000 respectively. On the last day of Company A's GST registration, the open market value of the equipment was S\$5,000 and the open market value of the non-residential property was S\$1,000,000. The total open market value of the assets as at Company A's last day of GST registration was therefore S\$1,005,000. As the total open market value of the assets exceeds S\$10,000, Company A would need to account for output tax at the prevailing GST rate, on the total open market value of the 2 assets in its final GST return.

It is important to note that even after GST registration has been cancelled, a business is still required to keep records of all its transactions for at least 5 years.

For more information, click on ["Cancellation of GST Registration"](#).