



GST News

A fresh perspective

Greetings from your Indirect tax team at Deloitte Singapore. We are pleased to present to you details of recent updates in relation to GST:

Updating of GST-related website content by IRAS

IRAS has updated GST-related website content and re-drafted a number of e-tax guides in recent weeks. We would like to draw your attention to a few amendments in particular:

Foreign Currency Transactions

IRAS has indicated that where companies find it administratively cumbersome to separately track realised and unrealised exchange gains/losses, they will allow companies to report the total value of realised and unrealised gains/losses instead. This is subject to conditions:

1. The company's accounting practices conform to proper accounting and reporting standards; and
2. The company consistently applies the same basis of reporting values of exempt supplies in respect of foreign currency and derivative transactions.

IRAS notes that companies should be aware that reporting unrealised gains/losses may affect input tax claims and are thus advised to weigh the reduction in tracking efforts against the potential negative impact on input tax claims.

Deloitte can help review the impact of this reporting change on your exempt supplies and input tax claims. Contact us for further information.

GST Guides for Retailers participating in the Tourist Refund Scheme

A new Central Refund Agency ("CRA") has been approved which can provide GST refunds for tourists on behalf of affiliated retailers. The address, emails address and website of one of the remaining CRAs has also been updated and these changes can be seen at Section 3.2 of this Guide. This later change is also recorded in the other GST Guides on the Tourist Refund Scheme.

Essential information for the Manufacturing sector

IRAS has provided guidance on how to distinguish between a supply of goods and a supply of services, and has provided further information on supplies of tools/machines used in manufacturing, importing goods belonging to overseas persons, payments for lost, stolen or damaged goods, termination of contracts and the GST treatment of research grants. Companies in the manufacturing sector should be aware of the positions adopted by IRAS in respect of these different items and understand how these relate to their specific business transactions.

Contact us or your usual Deloitte contact for further details on these changes.

For completeness, there are also re-writes for e-tax guides covering GST registration, the hotel industry, ACAP and the preparation of GST returns generally and updates on IRAS information in relation to exporting goods and correcting errors on GST returns.

Sectors targeted for IRAS GST audit purposes for 2014 and beyond

IRAS periodically announces target sectors for GST audit focus based on noted high incidence of GST non-compliance in those sectors. The latest such announcement has confirmed that GST audit attention for the remainder of 2014 and likely for much of 2015 will be focused on businesses involved in selling non-residential property and companies in the logistics industry including freight forwarders.

For companies in these sectors and other companies which have not been audited in the last three 3 years or more, it would be prudent to carry out an internal review of the GST returns filed. If errors are detected, a voluntary disclosure of the errors to IRAS can be made which would normally attract a reduced penalty or even no penalty and this self-review would usually put you in a more favourable position with IRAS over any rectification.

If you are in one of the targeted sectors, or are concerned about the validity of your GST reporting, contact us or your usual Deloitte contact to learn more about how we can help.

Proposed legislative update

Note that a Goods and Services Tax (Amendment) Bill was introduced in Parliament on 8 September 2014. The Bill concerns GST issues in relation to supplies made from and to bare trustees on behalf of partnerships, clubs, associations, societies or organisations along with the zero-rating of specific supplies to approved entities in the shipping or marine industry. It also provides scope for the Minister to make regulations in respect of claims for input tax incurred on the re-importation of goods previously exported where certain value-added process will be performed on the goods.

We will provide a further update as and when this Bill is subsequently gazetted and enacted as law.

If you would like more details in regard to any of the items above, please contact the below or your usual GST contact in Deloitte.

Name	Contact Number	Email
Richard Mackender	+65 6216 3270	rimackender@deloitte.com
Robert Tsang	+65 6530 5523	robsang@deloitte.com
Danny Koh	+65 6216 3385	dakoh@deloitte.com

Links for related guides

Foreign Currency Transactions	http://www.iras.gov.sg/irasHome/page04.aspx?id=676#Reporting_exchange_gains_losses
Guide for the Hotel Industry	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/etaxguide_GST%20Guide%20for%20Hotel%20Industry_2014-07-31.pdf
How do I prepare my GST return	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/etaxguide_GST_How%20Do%20I%20Prepare%20My%20GST%20Return_2014-07-31.pdf
Guide for Retailers participating in the Tourist Refund Scheme	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/etaxguide_GST_For%20Retailers%20participating%20in%20Tourist%20Refund%20Scheme_2014-07-30.pdf
GST Information for the Manufacturing Sector	http://www.iras.gov.sg/irasHome/page04.aspx?id=2296
Guide on the Electronic Tourist Refund Scheme	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/etaxguide_GST_Electronic%20Tourist%20Refund%20Scheme_2014-07-30.pdf
Assisted Compliance Assurance Program	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/etaxguide_GST_ACAP_2014-07-25.pdf
Do I need to register?	http://www.iras.gov.sg/irasHome/uploadedfiles/e-Tax_Guide/GST%20Do%20I%20need%20to%20register.pdf

[Deloitte Singapore](#) | [Add Deloitte as a safe sender](#)

6 Shenton Way, OUE Downtown 2, #32-00,
Singapore 068809

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/sq/about for a more detailed description of DTTL and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte's more than 200,000 professionals are committed to becoming the standard of excellence.

To no longer receive any email from Deloitte Singapore please send a return email to enquiries@deloitte.com with the word "Unsubscribe" in the subject line.