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### **IRAS to publish advance rulings**

The Inland Revenue Authority of Singapore (IRAS) will publish summaries of advance rulings applied on or after 1 May 2019. This is to enhance taxpayers' understanding of the IRAS' interpretation and application of tax laws in specific scenarios. The change applies to rulings relating to corporate income tax, individual income tax and Goods and Services Tax (GST).

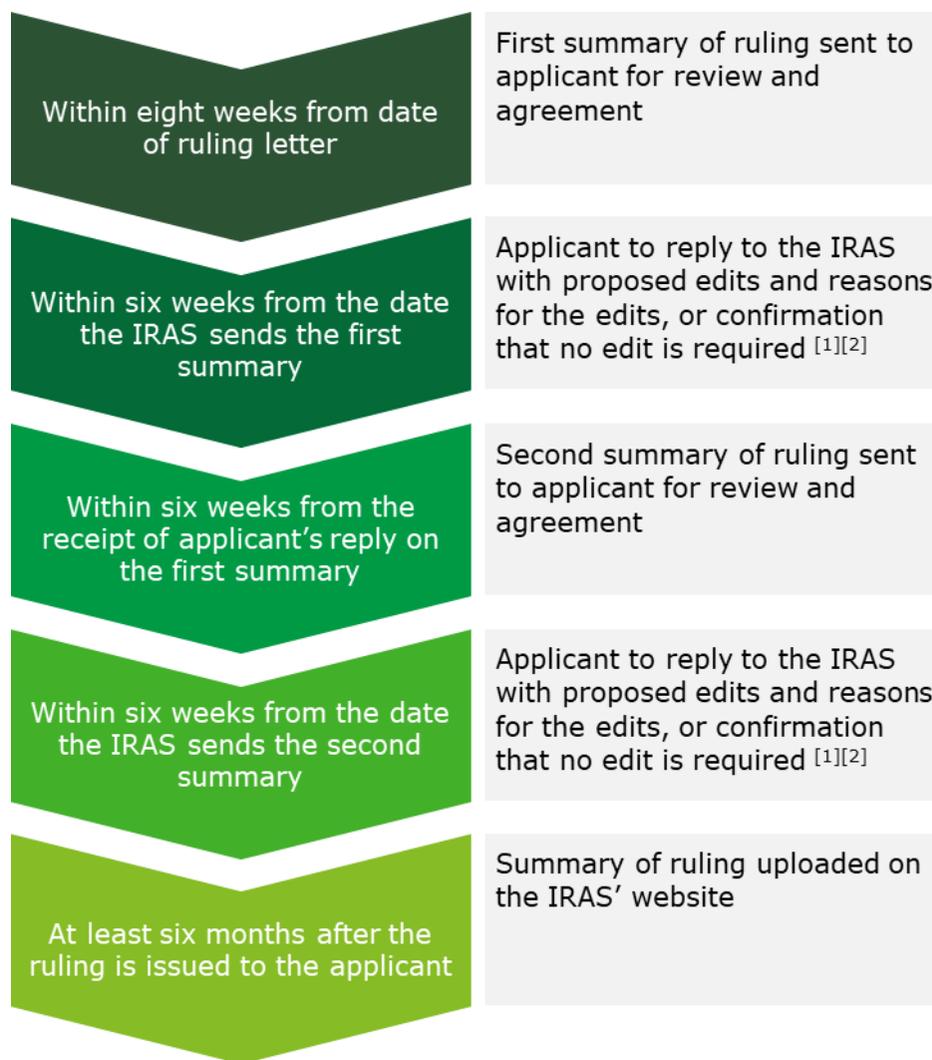
#### **Publication of advance rulings**

A summary of the advance ruling (i.e., background, facts and issues raised in the application for advance ruling, and rulings given) will be made available on the IRAS' website in respect of advance ruling applications made on or after 1 May 2019 if:

- Consent was given by the taxpayer for the publication of a summary of the ruling; and
- The issue that is the subject of the ruling does not relate to Advance Pricing Arrangements (**for corporate income tax rulings only**).

#### **Timeline to publish advance rulings**

The summary of the ruling is expected to be published on the IRAS' website at least six months after the ruling has been issued. The expected timeline for the publication of advance ruling after IRAS issues the ruling is as follows:



<sup>[1]</sup> The IRAS may proceed to upload the ruling summary on the IRAS' website after six months from the date of ruling if no response is received by the stipulated timeline.

<sup>[2]</sup> An extension of time may be considered by the IRAS on a case-by-case basis. Such extension is to be requested at least one week before the original deadline lapses.

### Adjustments to fees payable

There will be adjustments to the fees payable for an advance ruling application as follows:

	<b>Fees payable for rulings applications made before 1 May 2019</b>	<b>Fees payable for rulings applications made on or after 1 May 2019</b>
<b>Non-refundable application fee</b>	S\$620	S\$660
<b>Further time-based fee</b>	S\$155 per hour for each hour or part thereof subsequent to the first four hours taken to provide the ruling	S\$165 per hour for each hour or part thereof subsequent to the first four hours taken to provide the ruling
<b>Additional fee</b>	In the exceptional circumstance where IRAS has agreed to the request for express ruling, additional fee will apply <sup>[3]</sup>	
<b>Reimbursement fee</b>	Any costs and reasonable disbursements incurred by IRAS in relation to the ruling and any fees paid for external professional advice sought by IRAS.	

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Agreement will be sought from the taxpayer before proceeding

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<sup>[3]</sup> Additional fee structure is as follows:

- Corporate income tax/individual income tax—Up to one time the aggregate of the application fee and further time-based fee
- Goods and services tax—Up to three times the aggregate of the application fee and further time-based fee if the advance ruling is required to be obtained within 10 to 14 working days before the filing deadline.

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## Deloitte Singapore's views

Going forward, Singapore will join tax jurisdictions such as Canada, Australia, Hong Kong and South Africa that publish advance rulings.

In this regard, Singapore has opted to publish a summary of the advance ruling, rather than a redacted version of the advance ruling letter. The former is generally preferred in the context of preserving taxpayers' privacy. We also note that the IRAS is legislatively obliged to take reasonable care to ensure that the summary does not permit the advance ruling applicant, the arrangement to which the ruling relates, or any party to the arrangement to be identified.

In addition:

- The publication of advance rulings is on a prospective basis. Past rulings or rulings submitted before 1 May 2019 but approved on or after 1 May 2019 should not be affected by this change.
- Consent to publish the advance ruling is required from taxpayers, except for advance pricing arrangements. That said, taxpayers are required to provide reasons for declining publication of an advance ruling. A potential concern for taxpayers may be whether the Comptroller of Income Tax or Comptroller of GST would reject an advance ruling application if a taxpayer declines to publish the ruling. In addition, it is unclear whether the consent is given on an irrevocable basis. Although the law is silent on this, the better view may be that certain taxpayers have genuine concerns (such as risk of being identified due to the unique nature of the transaction/industry) and the Comptroller would weigh such concerns carefully and provide a balance between preserving taxpayers' confidentiality and public interest in tax transparency.
- Taxpayers would have an opportunity to review the contents of the advance ruling summary and propose edits where applicable.

## Contacts

For more information on the above or any other matters, please contact either the listed contacts below, or any member of the [Singapore Tax & Legal team](#).

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