



GST News

Expanding perspectives and possibilities

Greetings from your Indirect Tax team at Deloitte Singapore. We are pleased to share the latest GST News.

GST reverse charge

The Goods and Services Tax (GST) reverse charge on imported services will commence in Singapore from 1 January 2020. As there is less than eight months remaining before the new requirement takes effect, businesses that have yet to start the process need to act fast. For businesses that are already on the journey, you should ensure that you are following a structured and methodical approach to confirm you have complete coverage of all potential issues and scenarios.

Who is impacted

Examples of businesses subject to reverse charge:

- Taxable businesses that make substantial exempt supplies such as interest from inter-company loans
- Partially exempt businesses such as developers of mixed-use properties, banks and other financial institutions
- Fully taxable businesses that do not make any exempt supplies but are GST group registered with partially exempt members
- Charities and voluntary welfare organisations (VWO) that receive outright grants, donations, sponsorships and provide free/subsidised services
- Investment-holding companies that derive dividend income

What should I do now

Not every business is the same and the complexity and level of work required will differ from one business to another. However, applying a structured and methodical approach to your implementation will reduce the likelihood of critical issues being missed. At Deloitte Singapore, we recommend a three phased approach for your implementation:

- Phase one—Impact assessment
 - Undertake a pre-assessment of whether your business is in-scope, and identify impacted business units and systems
 - Perform a gap analysis to identify gaps based on current reporting, systems and processes
 - Assess the potential cost impact
 - Develop an implementation plan and identify resourcing needs to execute
- Phase two—Implementation
 - Implement system and process changes
 - Training
- Phase three—Post-implementation
 - Post-implementation review to test effectiveness of system enhancements and process changes

How can Deloitte Singapore help

Deloitte Singapore has a team of experienced indirect tax professionals who not only have an in-depth knowledge of the GST requirements, but also experience in assisting clients undertake similar implementations across a variety of industries, including financial services and insurance.

Please click the link below to find out more about our implementation services.

 [Learn more](#)

There is a great amount of flexibility in our offering and it allows you to pick and choose the support required, including additional requirements that may be specific to your business.

Contacts

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

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