



## GST News

### Expanding perspectives and possibilities

#### Public consultation on draft GST e-tax guide on digital payment tokens and draft GST Amendment Bill 2019

##### Draft GST guide on digital payment tokens

The Inland Revenue Authority of Singapore (IRAS) released a [draft GST guide on digital payment tokens](#), setting out its suggested treatment of the use and issuance of such tokens for the purposes of consultation and feedback.

The draft e-tax guide includes the following proposed changes that are intended to take place with effect from 1 January 2020:

- The use of digital payment tokens as payment for goods or services will not give rise to a supply of those tokens; and
- The exchange of digital payment tokens for fiat currency or other digital payment tokens will be exempt from GST.

The summary of the GST treatment of digital payment tokens before 1 January 2020 and from 1 January 2020 can be found in Appendix A of the draft e-tax guide.

The consultation period is from now until 26 July 2019. Interested parties should submit the template in Annex 1 of the draft e-tax guide via:

- **Email** to [gstfeedback@iras.gov.sg](mailto:gstfeedback@iras.gov.sg)
- **Post** to:
  - Goods & Services Tax Division  
Inland Revenue Authority of Singapore

55 Newton Road  
Singapore 307987

Deloitte Singapore will also be making its own representations, and will be pleased to consider any feedback received. Please forward your feedback to Richard Mackender ([rimackender@deloitte.com](mailto:rimackender@deloitte.com)).

### **Draft GST Amendment Bill 2019**

To gather public feedback, the Ministry of Finance (MOF) is conducting a public consultation on the draft GST Amendment Bill 2019 from now until 26 July 2019. The draft includes the following proposed changes:

- Refining the design parameters for GST on imported services:
  - Reverse Charge
    - To clarify that the scope of Reverse Charge applies to all businesses that are registered or liable for registration, and are not entitled to input GST claims in full.
    - To grant the Comptroller of GST the power to impose conditions as he may think fit for group registration applications for businesses subject to Reverse Charge.
  - Overseas Vendor Registration (OVR) regime
    - To allow GST Group Registration for businesses registered under the OVR pay-only regime.
    - To allow a local marketplace to account for GST on digital services made by underlying suppliers to GST-registered customers (i.e., B2B supplies) via OVR.
    - To clarify that while GST-registered overseas entities are required to appoint a local representative to act on behalf of their GST matters, overseas suppliers registered under the OVR pay-only regime are not required to do so.
- Introduces an offence for misrepresentation of information by the customer who provide false information and such information may be used by the supplier under OVR to determine whether the GST chargeable
- Updates the GST treatment for digital payment tokens—there is an ongoing public consultation on this. (Please refer to earlier mentioned **Draft GST e-tax guide on digital payment tokens**).
- Makes changes to the reporting of proceedings and decisions of tax cases by the High Court and Court of Appeal—To align with the principle of open justice and in keeping with international trends (such as Canada and the United Kingdom), tax proceedings in said courts will no longer be heard in private by default and details of the taxpayers will not be redacted in published decisions. The change does not extend to hearings held at the boards of review for Income Tax and GST.

Interested parties should submit their feedback using the provided [template](#) via either of the following:

- **Email** to [pc\\_gstabil@mof.gov.sg](mailto:pc_gstabil@mof.gov.sg)
- **Fax** to 6337 4134
- **Post** to:
  - Ministry of Finance  
100 High Street, #10-01  
The Treasury  
Singapore 179434  
Attention: Tax Policy Directorate

Deloitte Singapore will also be making its own representations, and will be pleased to consider any feedback received. Please forward your feedback to Richard Mackender ([rimackender@deloitte.com](mailto:rimackender@deloitte.com)).

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## 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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