



**SINGAPORE CUSTOMS  
AND  
LAND TRANSPORT AUTHORITY**

**JOINT NEWS RELEASE**

**Immediate**

2 January 2024

**SINGAPOREAN MAN FINED \$3.6 MILLION FOR EVADING DUTY  
AND GST ON IMPORTED MOTOR VEHICLES**

Singapore, 2 January 2024 – The sole proprietor of Smartcar Auto (“Smartcar”), Tan Lye Khim (陈来钦) (“Tan”), a 47-year-old male Singaporean, was fined \$3,600,000 by the State Courts on 2 January 2024 for fraudulent evasion of duty and Goods and Services Tax (GST) on 983 motor vehicles imported into Singapore between November 2018 and October 2020. He failed to pay the fine and would serve 43 months’ imprisonment in default. He was also sentenced to an additional seven weeks’ imprisonment for underpaying the Additional Registration Fee (ARF) during the registration of the vehicles.

2 Tan pleaded guilty to two charges under the Customs Act for fraudulent evasion of duty amounting to about \$769,207 for the imports of 974 motor vehicles. Another two charges of fraudulent evasion of GST amounting to about \$323,067 involving the same motor vehicles, and two charges of fraudulent evasion of duty and GST for the imports of nine vehicles, with a total evaded amount of about \$6,092, were taken into consideration during sentencing.

3 Tan also pleaded guilty to one charge of giving incorrect information under section 11(9) of the Road Traffic Act in relation to the value of 746 motor vehicles. Two more charges for giving incorrect information under section 11(9) of the Road Traffic Act in relation to the values of 228 motor vehicles and nine motor vehicles respectively were taken into consideration during sentencing. The incorrect information resulted in a shortfall of \$5,190,893 of ARF.

4 Singapore Customs launched an investigation into Smartcar after suspecting the values of motor vehicles submitted to Singapore Customs for assessment of duty and GST payable were intentionally understated.

5 Investigations revealed that sometime in 2016, Tan was allegedly engaged by a 43-year-old male Singaporean and a 48-year-old male Singapore Permanent Resident to set up an entity, later known as Smartcar, to import motor vehicles. He would be paid \$5,000 a month, in addition to an annual lump sum payment ranging from \$100,000 to \$225,000 for his role.

6 Smartcar is a front company for the two men, with one of them managing Smartcar's daily operations. Tan was aware that Smartcar was set up to import motor vehicles with suppressed values to evade duty and GST. A 31-year-old female Singapore Permanent Resident was employed to assist in placing orders and liaising with overseas suppliers, making payments to suppliers, preparing and submitting motor vehicle values imported through Smartcar to Singapore Customs for assessment.

7 Court proceedings against the 43-year-old male Singaporean and 31-year-old female Singapore Permanent Resident are ongoing, while investigations are ongoing for the 48-year-old male Singapore Permanent Resident.

8 Any person who is concerned in fraudulent evasion of any duty or GST on imported goods shall be liable on conviction to a fine of up to 20 times the amount of duty and GST evaded and/or jailed for up to two years.

9 Any person who gives incorrect information in relation to any matter affecting the amount of tax chargeable shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 6 months. The court shall also order the offender to pay up the amount of tax (ARF) which has been undercharged to the Land Transport Authority (LTA).

10 Members of public with information on smuggling activities or evasion of duty or GST can provide information to Customs at <https://go.gov.sg/reportcustomsoffence>.

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### **About Singapore Customs**

Singapore Customs, a lead agency under the Ministry of Finance, protects revenue and facilitates trade. We make trade easy, fair and secure. We ensure compliance with customs regulations and collect taxes and duties on dutiable and taxable goods. We regulate the export of strategic goods and implement Singapore's commitments to some international trade regulations such as the United Nations Security Council Sanctions.

We work closely with other government agencies, industry partners, and international organisations in our mission and operations. With the use of data analytics, digitalisation of processes and various technologies, we continuously improve the efficiency and effectiveness of customs processes.

By proactively balancing the intricate requirements of trade facilitation, security and regulatory compliance, Singapore Customs strengthens Singapore's position as a global trade hub trusted by businesses operating in Singapore and foreign trading partners.

To find out more, visit our website at [www.customs.gov.sg](http://www.customs.gov.sg)  
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### **About the Land Transport Authority, Singapore**

The Land Transport Authority (LTA) is responsible for planning, designing, building and maintaining a land transport infrastructure and system that is reliable, connected, sustainable, safe and meets diverse transport needs.

A good land transport system is the lifeline of the metropolis and critical enabler of the economy. Imagine a future where getting to your next destination is easy and seamless, with options that connect you to the places and people you love. Whether it's by rail, road, buses, taxis, private hire cars, or through active mobility, LTA is working towards a future with greener and more sustainable transport to transform how we live, work, study and play. We also promote a safe, gracious and inclusive transport system for a pleasant journey for all.