



MEDIA RELEASE

Immediate

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SINGAPOREAN MAN FINED \$6 MILLION FOR EVADING DUTY AND GST ON IMPORTED MOTOR VEHICLES

Singapore, 22 January 2024 – The sole proprietor of M' Exclusive, Low Han Siang (刘汉祥) (“Low”), a 46-year-old male Singaporean, was fined \$6 million by the State Courts on 19 January 2024 for fraudulent evasion of duty and Goods and Services Tax (GST) on 1,828 motor vehicles imported into Singapore between April 2017 and June 2021. He was also sentenced to nine months’ imprisonment for underpaying the Additional Registration Fee (ARF) during the registration of the vehicles.

2 Low pleaded guilty to two charges under the Customs Act for fraudulent evasion of duty amounting to about \$1,819,865 for the imports of 1,141 motor vehicles. Another two charges of fraudulent evasion of GST amounting to about \$764,343 involving the same motor vehicles, six charges of fraudulent evasion of duty and GST for the imports of 687 vehicles, with a total evaded amount of about \$679,072, and five charges of causing an incorrect declaration to be made were taken into consideration during sentencing.

3 Low also pleaded guilty to two amalgamated charges of giving incorrect information under section 11(9) of the Road Traffic Act in relation to the value of 738 motor vehicles. Four more amalgamated charges for giving incorrect information under section 11(9) of the Road Traffic Act in relation to the values of 1,033 motor vehicles were taken into consideration during sentencing. The incorrect information resulted in a shortfall of \$16,256,433 of ARF.

4 Singapore Customs launched an investigation into M' Exclusive after suspecting the values of motor vehicles submitted to Singapore Customs for assessment of duty and GST payable were under-declared.

5 Investigations revealed that between April 2017 and June 2021, Low created false invoices or requested his suppliers to issue multiple invoices with partial values to conceal the actual values of the imported cars. These invoices were submitted to Singapore Customs for assessment of duty and GST.

6 The suppression of the values of the 1,828 motor vehicles between April 2017 and June 2021 resulted in the short payment of duty and GST amounting to about \$3,263,280.

7 Investigations also revealed that Low had instructed his employee, Lee Pak How (李佰豪) ("Lee"), a 33-years old male Singapore Permanent Resident, to falsify invoices with suppressed values determined by Low. Lee was fined \$10,000 by the State Courts on 13 January 2023 for falsification of documents. He pleaded guilty to one charge of falsification of documents, while another similar charge was taken into consideration during sentencing.

8 Singapore Customs closely monitors the declared values of motor vehicles imported into Singapore and will not hesitate to take enforcement actions on errant traders. In January 2024, five individuals involving three separate cases were charged for fraudulent evasion of duty and GST by suppressing the declared values of motor vehicles imported in Singapore, making incorrect declaration or causing incorrect declaration to be made on the values of motor vehicles, and falsification of documents. Court proceedings are on-going for these cases.

9 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.

10 Any person who falsifies documents, or makes any declaration which is untrue, incorrect, or incomplete, shall be liable on conviction to a fine not exceeding \$10,000, or the equivalent of the amount of duty and GST payable, whichever is higher, or to imprisonment for a term not exceeding 12 months, or both.

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

12 Singapore Customs maintains a robust commitment to combat fraudulent evasion of duty and GST and will take the necessary actions against individuals and entities engaging in such illicit activities. 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.

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