



Circular No: 20/2023  
20 Oct 2023

Traders and Declaring Agents

Dear Sir/Madam

### **IMPLEMENTATION OF REVISED GST RATE OF 9%**

During Budget Day Speech 2022, the Government announced that the Goods and Services Tax (GST) rate will increase from 8% to 9% on 1 Jan 2024. Hence, all imported goods and goods released from licensed premises for local consumption after 31 Dec 2023 will attract GST at the new rate of 9%.

2 Importers are advised to clear their goods by 31 Dec 2023 for In-Payment (GST) and In-Payment (Duty and GST) permits taken up with GST rate of 8%. Please note that from 1 Jan 2024, amendments for extension of permit validity period will not be allowed for these In-Payment (GST) and In-Payment (Duty and GST) permits taken up with GST rate of 8%.

3 If an importer has taken up an In-Payment (GST) or In-Payment (Duty and GST) permit at GST rate of 8% but is unable to clear his goods by 31 Dec 2023, the importer will still be able to use it to clear the goods using the In-Payment (GST) and In-Payment (Duty and GST) permit after 31 Dec 2023, provided that it is still within the permit validity period. However, the importer must take up a GST Short-Payment permit ("SPGST" permit – please refer to paragraph 4 for the permit application procedures) to account for the GST short-payment of 1% for his goods **prior** to cargo clearance.

## GST Short-payment permit (“SPGST” permit)

4 Please refer to the information to be declared in the following permit fields and the declaration procedures when applying for the GST Short-Payment permit (“SPGST” permit) relating to GST rate change:

- a) **Message Type** = “In-Payment”;
- b) **Declaration Type** = “GST”;
- c) **Place of Receipt Code** = “SPGST”;
- d) **Previous Lot Number** = Original TradeNet permit number with GST rate of 8%;

*[Note: For “SPGST” permits, the Original TradeNet permit number is to be declared in “Previous Lot Number” field instead of “Previous Permit Number” field. This is to facilitate importers’ consolidation of their GST Short-Payments (due to the GST rate change) from multiple In-Payment (GST) and In-Payment (Duty and GST) permits, in a single “SPGST” permit.]*

- e) **HS code** = HS Code of the first line item in the Original TradeNet permit quoted in the “Previous Lot Number” field;
- f) **Item CIF/FOB Value**

For GST short-payments to be made for previous permit covering non-dutiable goods only, to declare the “Total CIF/FOB Value” in the Original TradeNet permit quoted in the “Previous Lot Number” field.

For GST short-payments to be made for previous permit covering both non-dutiable and dutiable goods, or dutiable goods only, to declare the sum of (Total CIF/FOB Value, Total Customs Duty Amount and Total Excise Duty Amount) in the Original TradeNet permit quoted in the “Previous Lot Number” field; and

- g) **GST rate** = “1%”

In-Payment (GST) and In-Payment (Duty and GST) permits taken up with GST rate of 9%

5 To facilitate the planning of import shipments, importers may declare In-Payment (GST) and In-Payment (Duty and GST) permits at the GST rate of 9% **from 25 Dec 2023**, if they intend to clear the goods on or after 1 Jan 2024. This is to reduce the need for importers to take up separate GST Short-Payment permits (“SPGST” permits).

6 In the event that an importer has taken out an In-Payment (GST) and In-Payment (Duty and GST) permit at GST rate of 9% but has cleared his goods before 1 Jan 2024, he may claim refund of the overpayment of 1% GST from Singapore Customs through TradeNet if he is a non-taxable person. If the importer is a taxable person and the duty/GST was deducted via IBG from his bank account registered with Singapore Customs, he may claim the total GST paid as input tax from the Inland Revenue Authority of Singapore (IRAS).

Yours faithfully

Raine Ng  
Head Procedures & Systems Branch  
for Director-General of Customs  
Singapore Customs

*(This is a computer-generated circular. No signature is required.)*

We hope that this circular has been written in a way that is clear to you. If not, please let us have suggestions on how to improve this circular at [customs\\_documentation@customs.gov.sg](mailto:customs_documentation@customs.gov.sg).

## FREQUENTLY ASKED QUESTIONS

**Q1: If I have many permits for different importers that are GST short-paid due to the GST rate change, do I have to declare multiple GST short-payment permits to account for the GST short-paid?**

**A1:** You are required to take up separate “SPGST” permits for the different importers. You may take a single “SPGST” permit for up to 50 original TradeNet permits that require GST short-payment due to GST rate change for each importer. You are required to declare the original TradeNet permit number under the “Previous Lot Number” field instead of “Previous Permit Number” field in the “SPGST” permit.

**Q2: Why is the GST rate for the “SPGST” permit 1% instead of 9%?**

**A2:** Declaring 9% as the GST rate for “SPGST” permit will require you to re-calculate the CIF/FOB value to be declared in the “SPGST” permit application based on the amount of GST short-paid. For ease of declaration, you are to declare 1% as the GST rate and the “Total CIF/FOB Value” in the Original TradeNet permit quoted in the “Previous Lot Number” field for non-dutiable goods, without the need for re-calculation. Similarly, for GST short payments to be made for previous permit(s) covering both non-dutiable and dutiable goods, or dutiable goods only, you are to declare 1% as the GST rate and the sum of (Total CIF/FOB Value, Total Customs Duty Amount and Total Excise Duty Amount) in the Original TradeNet permit quoted in the “Previous Lot Number” field.

**Q3: How do I apply for short-payment permits for overlanded goods in excess of the quantity (stated in commercial invoice) that are cleared on or after 1 Jan 2024?**

**A3:** You are required to obtain a short payment “SPGST” permit to pay for the GST short-paid using the GST rate of 1% based on the value of the imported goods in the Original TradeNet permit quoted in the “Previous Lot Number” field and also obtain another short payment “SPNOSTK” permit to pay for the GST short-paid using the GST Rate 9% based on the value of the overlanded goods stated in the commercial invoice.

**Q4: How do I apply for short-payment permits for overlanded goods in excess of the quantity (stated in commercial invoice) that are cleared before 1 Jan 2024?**

**A4:** You are required to obtain a short-payment “SPNOSTK” permit (Message/Declaration Type = IN-PAYMENT (GST or DNG), Place of Receipt = “SPNOSTK”) to pay the GST short-paid using the GST Rate of 8% based on the value of the overlanded goods stated in the commercial invoice.

**Q5: How should I declare the mandatory header fields in the “SPGST” permit if I am declaring the “SPGST” permit for multiple TradeNet permits belonging to one importer?**

**A5:** You should declare the same details as one of the original TradeNet permit quoted in the “Previous Lot No.” field. Please refer to Para 4 for the information to be declared in the key fields (e.g. place of receipt code, previous lot number, item CIF/FOB) in the “SPGST” permit.

**Q6: How do I declare the CIF/FOB in the “SPGST” permit for partial clearance of goods (i.e. some of my goods were cleared before 1 Jan 2024 and the remaining goods were cleared on or after 1 Jan 2024)?**

**A6:** For partial clearance of goods, you are required to declare the Total CIF/FOB of the remaining items that will be cleared on or after 1 Jan 2024 under the “Item CIF/FOB Value” field in the “SPGST” permit to account for the 1% GST short-paid on the goods.

**Q7: My In-Non-Payment permit (Example: II and ME permit prefix) was approved with 8% GST rate but the goods are to be cleared after 1 Jan 2024. Can I continue to use the same permit for clearance or is there a need for me to take up a replacement permit to reflect the new GST rate of 9%?**

**A7:** You may proceed to use the same permit to clear your goods after 1 Jan 2024 without the need for a replacement permit. However, you are required to obtain the relevant payment permit(s) to pay the GST of 9% if the goods are subsequently released from any licensed premise after 31 Dec 2023.

**Q8: My goods are imported under the Temporary Import Scheme (TIS) and I wish to pay GST for the goods that will not be re-exported out of Singapore subsequently. Which GST rate should I use?**

**A8:** If the goods have been imported into Customs Territory on or before 31 Dec 2023 using the 8% GST rate, you should use 8% GST rate to account for the GST payment. Please note that you will need to take up a Customs **In-Payment (GST)** permit application with the following details:

- a) **Message Type** = “In-Payment”;
- b) **Declaration Type** = “GST”;
- c) **Previous Permit No.**= In-Non-Payment Permit No for TIS
- d) **Place of Receipt Code** = “SPSTK”; and
- e) **GST rate** = “8%”

**Q9: Why am I unable to change the GST rate during permit application?**

**A9:** Please check with your TradeNet Frontend vendor on the GST rate to be made available for declaration via your TradeNet Frontend Solution. You should be able to declare the relevant GST rates (e.g. 9%) from 25 Dec 2023 onwards.

**Q10: My payment permit application with 8% GST rate was approved in Dec 2023 and the permit is valid till 7 Jan 2024. The goods were imported and delivered to my warehouse on 6 Jan 2024. Why do I still need to pay another 1% GST when my goods were imported under a valid payment permit approved with 8% GST rate?**

A10: The GST rate payable depends on the date of import clearance of the goods. As your goods were imported into Customs Territory on 6 Jan 2024, the new GST rate of 9% would be payable on the CIF value of the imported goods.

**Q11: Can I take up a new permit at 9% GST rate for goods cleared on or after 1 Jan 2024 and seek refund via TradeNet for the earlier permit approved with 8% GST rate instead of applying for the GST Short-payment permit (“SPGST” permit) to account for the 1% GST payable?**

A11: We would encourage importers to take up the “SPGST” permit to account for the 1% GST payable as refund applications could take up to 12 working days to be processed (upon receipt of all supporting documents).