



PRESS RELEASE BY CORRUPT PRACTICES INVESTIGATION BUREAU, INLAND REVENUE AUTHORITY OF SINGAPORE, AND SINGAPORE CUSTOMS

Former Singapore Customs officer jailed five years for corruption and abetting in GST tourist refund fraud

Mohamed Yusof Bin Abdul Rahman (“Yusof”), a 67-year old former Singapore Customs officer, has been sentenced to five years’ jail and ordered to pay a total penalty of \$673,084.80 for corruption and abetting four Indian nationals to fraudulently claim Goods and Services Tax (GST) tourist refund.

Yusof was deployed at the GST Refund Inspection Counter in the airport during the offence period between January 2013 and January 2014. His duty was to process the GST refund claims made by tourists leaving Singapore. Yusof is no longer employed by Singapore Customs following the expiry of his employment contract in September 2014.

Facts of the Offences

Investigations by Inland Revenue Authority of Singapore (IRAS), Singapore Customs and Corrupt Practices Investigation Bureau (CPIB) in late 2013 revealed that a group of accomplices had made fraudulent GST refund claims under the electronic tourist refund scheme (eTRS)ⁱ. On various occasions during the offence period, Yusof assisted four Indian nationals, Sundar Panneer Selvam, Baskaran Uthirapathy, Pounraj Natarajan and Gobi Raman, to fraudulently claim a total of \$493,858.67 in GST refunds. He helped to approve their GST refund claims even though the jewellery produced did not match the goods description on the receipts. In return, Yusof received bribes in cash. The total amount of cash bribes that Yusof had received from them amounted to \$11,400.00.

The four Indian nationals have since been sentenced to imprisonment terms of between 36 and 48 months and penalties amounting to three times of tax defrauded in October last year.

Court Sentences

Yusof pleaded guilty to 25 GST tax evasion charges and seven corruption charges that were proceeded against him. The 25 GST tax evasion charges involved a total amount of \$220,561.60 and the seven corruption charges involved a total amount of \$3,350.00.

The court sentenced Yusof to five years' jail, a penalty of \$11,400 for his corruption offences and \$661,684.80 which is three times the amount of GST defrauded.

Zero Tolerance towards Tax Fraud, Corruption and other Criminal Activities

Singapore has always adopted a zero tolerance approach towards tax fraud, corruption and other criminal activities. The authorities take a serious view of any corrupt and criminal practices, and will not hesitate to take swift action against any individuals and parties involved.

i About the Electronic Tourist Refund Scheme (eTRS)

Tourists can claim GST refund on goods they have purchased and brought out of Singapore. A person who did not purchase the goods and yet sought or obtained a GST refund under the tourist refund scheme would have committed an offence under the GST Act.

Under eTRS, a tourist receives a receipt of goods purchased and an eTRS ticket when he buys goods from a GST-registered retailer participating in eTRS. The tourist then uses the eTRS ticket or the credit card with which he purchased the goods to make a GST refund claim via the eTRS self-help kiosk at the Changi airport.

As a control measure, physical inspection of the goods may be carried out at the GST refund counter by Singapore Customs officers before a GST refund claim is approved.