



SINGAPORE CUSTOMS 新加坡关税局 KASTAM SINGAPURA சிங்கப்பூர் சுங்கத்துறை

MEDIA RELEASE

1 July 2021

Repeat offender jailed 39 months and fined \$16 million for offences under Customs Act and Penal Code

A Singaporean man Loh Hu Seong, 58, was sentenced by the State Courts on 25 June 2021 to 39 months' imprisonment and fined \$16,001,500, for dealing with duty-unpaid cigarettes under the Customs Act and for being a party to a criminal conspiracy to deal with duty-unpaid cigarettes under the Penal Code. As Loh did not pay the fine, he will serve an additional 25 months and one day of imprisonment in default.

Facts of the case

Investigations revealed that sometime in September 2018, Loh had conspired with an unknown man and a Malaysian man to smuggle duty-unpaid cigarettes from Malaysia to Singapore. He was promised payments of between \$1,000 and \$2,000 for each successful shipment. On 14 September 2018, Loh and the Malaysian man entered Singapore to source for excavator parts to be used as cover loads to conceal duty-unpaid cigarettes. At the same time, they also searched for warehouses and Loh eventually rented the industrial unit at Tuas South Street 1 for the dismantling and retrieval of the cigarettes. Investigations are ongoing for the Malaysian man.

On 7 November 2018, Singapore Customs conducted an operation at an industrial unit in Tuas South Street 1 which uncovered 5,428 cartons and 25 packets of duty-unpaid cigarettes concealed in recycled excavator arms imported from Malaysia. Five men were subsequently arrested, and they have been dealt with separately. The total duty and GST evaded amounted to about \$514,900 and \$37,510 respectively. For his role in this case, Loh was convicted of an offence under the Customs Act for dealing with uncustomed goods. Another charge relating to the Goods and Services Tax (GST) evaded on the duty-unpaid cigarettes was taken into consideration during sentencing.

Investigations also revealed that between September and October 2018, Loh engaged in a criminal conspiracy with a Singaporean man. He purchased excavator arms from the Singaporean man and informed the latter that he needed holes in the excavator arms to conceal duty-unpaid cigarettes. The Singaporean man then got a worker to cut holes in the excavator arms and placed brackets with screws at the corners to cover the concealed spaces. For his role in this scheme, Loh was convicted of an offence under the Penal Code of engaging in a criminal conspiracy to deal with duty-unpaid cigarettes. Court proceedings against the Singaporean man are ongoing.

Loh was taken into Singapore Customs' custody on 15 January 2021 after being extradited from Malaysia for these offences. He was previously convicted on 6 September 2016 and sentenced to 30 months' imprisonment for dealing with duty-unpaid cigarettes with the duty and GST amounting to about \$136,570 and \$13,740 respectively. As a repeat offender, Loh was sentenced to enhanced punishment for his current case.

Repeat offenders face stiffer penalties

“Singapore Customs will not let up in our efforts to clamp down on cigarette smuggling activities. The jail sentence and fine imposed serve as a reminder of the stiff penalties repeat offenders face. Those who are contemplating illegal cigarette activities should think carefully about the consequences when they are caught,” said Assistant Director-General (Intelligence & Investigation) Yeo Sew Meng [新加坡关税局助理局长(情报与调查)杨秀明].

Buying, selling, conveying, delivering, storing, keeping, having in possession or dealing with duty-unpaid goods are serious offences under the Customs Act and the GST Act. Offenders can be fined up to 40 times the amount of duty and GST evaded and/or jailed for up to six years. Repeat offenders who are caught with more than two kilogrammes of tobacco products will also face mandatory imprisonment.

Members of public with information on smuggling activities or evasion of customs duty or GST can call the Singapore Customs hotline on 1800-233-0000 or email customs_intelligence@customs.gov.sg to report these illegal activities.

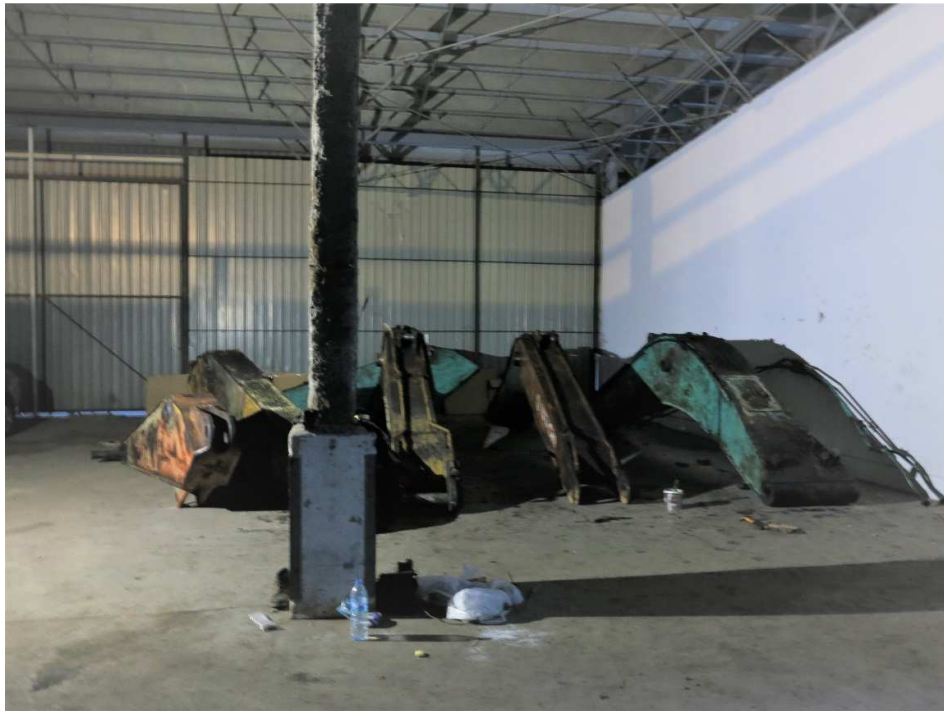
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Duty-unpaid cigarettes concealed in the beams of the excavator arms.



Excavator arms used as cover loads to conceal duty-unpaid cigarettes.