

Circular No: 14/95 dated 15 Aug 95

To All Traders and Declaring Agents

INCORRECT DECLARATION OF VALUE OF GOODS FOR IMPORTATION

1. We note that there are many instances where goods which were sent overseas for processing were being imported back to Singapore without paying the full GST due on the goods. The values of these goods were declared to comprise only the processing cost, freight and insurance. We wish to advise you that the value to be declared for GST purposes for such imports must comprise:
 - i. the value of the materials;
 - ii. the processing cost, e.g. the workmanship cost in turning the materials into a new product; and
 - iii. The freight and insurance incurred in the importation of the goods back to Singapore.
 2. The incorrect declaration of the value of such goods is an offence under the Customs Act for which the appropriate action will be taken by Customs.
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