



MEDIA RELEASE

Immediate

15 October 2024

COUPLE CONVICTED FOR EVASION OF GST ON BRANDED GOODS AND OMISSION OF FREIGHT CHARGES

Singapore, 15 October 2024 – The State Courts convicted one female Singaporean, Wang Siew Ching (黄小箐) (“Wang”), 34, and one male Singaporean, Rayson Loo Sian Hao (吕先豪) (“Loo”), 33, on 15 October 2024 for fraudulent evasion of Goods and Services Tax (GST) through suppressing values of the imported goods and omitting freight charges in the import declarations¹ made to Customs. Wang and Loo were fined \$396,000 and \$453,000 respectively.

2 Wang, the director of Vanity Closet SG Private Limited (“Vanity Closet”) and Loo, the husband of Wang and manager of Vanity Closet, each pleaded guilty to 11 charges of fraudulent evasion of GST amounting to \$67,810. Another 13 charges of fraudulent evasion of GST amounting to about \$24,105 and 25 charges of causing incorrect declarations to be made, by not including the freight charges amounting to about \$4,172 in the import declarations, were taken into consideration during the sentencing.

¹ Prevailing GST rate payable for import is levied based on the CIF (cost, insurance and freight) value, and other charges, costs and expenses incidental to the sale and delivery of the goods into Singapore, whether or not shown on the invoice. For further information, please refer to Customs website: <https://www.customs.gov.sg/businesses/importing-goods/import-procedures/>.

3 Vanity Closet was set up as a retailer of fashion products and its main business involved conducting live stream sales of branded goods from overseas retail outlets through its Facebook page. Wang would source and promote branded goods via live streaming while Loo would arrange to ship the goods to Singapore.

4 In January 2022, Customs conducted checks on Vanity Closet's shipments imported in 2021 and found discrepancies between the actual values of the goods and the values declared to Customs. Investigations revealed that Wang, Loo and their employees would travel to the United States and the United Kingdom to visit retail outlets selling branded goods and conduct live streaming on Vanity Closet's Facebook page. At the end of the live streaming session, they would purchase the goods ordered by their customers and ship them to Singapore via air. Loo would create invoices with values much lower than the actual values and submitted the false invoices to freight forwarders, who then declared the suppressed values to Customs. This led to GST underpayments and even non-payment in cases where the declared values were less than \$400².

5 Between August 2021 and January 2023, Vanity Closet imported 49 shipments into Singapore. Of these, 24 shipments had been declared with suppressed import values and did not include freight costs. For the remaining 25 shipments, the freight costs were omitted in the import values declared.

6 Any person who is in any way concerned in fraudulent evasion of, or attempt to fraudulently evade, any duty or GST shall be guilty of an offence and will be liable on conviction to a fine of up to 20 times the amount of duty and GST evaded and/or imprisonment for up to two years.

7 Any person who makes any declaration which is untrue, incorrect or incomplete will be liable on conviction to a fine not exceeding \$10,000, or the equivalent of the amount

² GST relief is granted on goods imported by post or air, excluding intoxicating liquors and tobacco, with a total Cost, Insurance and Freight (CIF) value not exceeding S\$400. Since 1 Jan 2023, GST is extended to goods imported via air or post that are valued up to and including the current GST import relief threshold of S\$400, through the Overseas Vendor Registration regime.

<https://www.customs.gov.sg/businesses/importing-goods/import-procedures/importing-by-post-or-courier-service/>

of the customs duty, excise duty or tax payable, whichever is the greater amount, or to imprisonment for a term not exceeding 12 months, or both.

8 Members of public with information on smuggling activities or evasion of duty or GST can report it to Customs at <https://go.gov.sg/reportcustomsoffence>.

Annex A: Photo

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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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Annex A



Branded goods found at Vanity Closet's premises.