



MEDIA RELEASE

Immediate

29 May 2023

115 TRAVELLERS CAUGHT FOR NOT DECLARING DUTIABLE AND TAXABLE GOODS BROUGHT INTO SINGAPORE

Singapore, 29 May 2023 – In their recent joint-enforcement operation at Changi Airport from 15 to 21 May 2023, Singapore Customs (Customs) and the Immigration & Checkpoints Authority (ICA) have found 115 travellers who have failed to declare and pay duties and Goods and Services Tax (GST) on (i) cigarettes and tobacco products, (ii) liquors in excess of their duty-free allowance and (iii) taxable goods exceeding their GST import relief allowance. The total amount of duty and GST recovered was \$18,491 and the total composition sum (penalty) imposed was close to \$28,000.

2 “It is the responsibility of all arriving travellers to make an accurate and complete declaration of all dutiable and taxable items in their possession upon arrival. It is an offence to evade taxes and duties and travellers may end up paying more as penalties. When in doubt, they can refer to Customs website or check with our officers at the checkpoints. We urge everyone to declare and pay for their purchases truthfully,” said Ms Sung Pik Wan, Senior Assistant Director-General (Checkpoints), Singapore Customs.

3 The operation saw enhanced checks on in-bound travellers at the Arrival Halls of all Changi Airport Terminals. Luggage of arriving travellers were inspected for any undeclared dutiable and taxable goods, as well as any prohibited or controlled goods. The following were some detections for which composition sums were issued:

- a) A male Singaporean was caught with five undeclared luxury bags that he and his girlfriend purchased overseas. The five bags were valued at \$13,825 and the amount of GST involved was \$1,106.
- b) A female Singaporean was found with one undeclared luxury watch and one luxury bag, with a total value of \$5,637. The amount of GST involved was \$450.96.
- c) A male foreigner was found with six packets of undeclared cigarettes wrapped in a "Happy Birthday" foil wrapper.
- d) A male Employment Pass Holder was found to have falsely declared a bottle of whisky as GST goods using the Customs@SG application to avoid payment of excise duty of \$15.14.

4 We will continue to conduct such joint-enforcement operations regularly as part of our ongoing efforts to ensure compliance with Singapore's customs and tax laws; as well as to ensure the security of our borders.

5 Under the Customs Act, any person who is in any way concerned in any fraudulent evasion of, or attempt to fraudulently evade, any customs duty or excise duty 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 or jailed for up to two years.

6 To avoid the hefty penalties and for their own convenience, we strongly encourage travellers to make an advance declaration and payment for their dutiable or GST goods up to three days prior to their arrival in Singapore, using the Customs@SG Web Application. Those intending to pay for their dutiable and taxable items upon arrival may do so at our Customs Tax Payment Office at the various checkpoints.

7 If they are unsure of the applicable GST import relief entitlements or duty-free allowances, they may also consult Singapore Customs officers at the Customs Tax Payment Office. Members of the public can obtain more information by calling the

Singapore Customs hotline on 6355 2000, or referring to our website here <https://go.gov.sg/customs-guide-for-arriving-travellers>.

8 For a smooth and hassle-free arrival experience, we would like to remind all travellers to strictly abide by Singapore's customs and immigration laws as failure to comply may result in penalties and prosecution. The Singapore authorities adopt a zero-tolerance stance on any illegal activities. ICA will continue to conduct security checks at the checkpoints and work with relevant authorities to safeguard our land, air and sea borders against crime and security threats, including smuggling activities and non-compliance with our regulations.

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Annex A: Photographs for the Detections Highlighted

Annex B: "Do You Know?"

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 promote trade competitiveness and ensure the security of the supply chain.

We work closely with other government agencies, industry partners, and international organisations as we safeguard Singapore's borders against potential risks and threats. With the use of data analytics and various advanced technologies, we continuously leverage digital initiatives to improve the efficiency and effectiveness of customs processes.

By proactively balancing these 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.

To find out more, visit our website at www.customs.gov.sg

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ANNEX A

**Photographs for the Detections Highlighted
(Attributable to “Singapore Customs”)**



The five undeclared luxury bags purchased overseas and valued at \$13,825; with GST involved amounting to \$1,106.



The undeclared luxury watch and bag with a total value of \$5,637; and GST involved amounting to \$450.96.



The six packets of undeclared cigarettes wrapped in a “Happy Birthday” foil wrapper.



SINGAPORE CUSTOMS

RECEIPT VALID ONLY ON DATE OF ARRIVAL

No. [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]
 [REDACTED] [REDACTED]

| Item Description | Value Declared(S\$) | Amount Payable (S\$) |
|-----------------------------------|---------------------|----------------------|
| GST Goods : whiskey | 86.65 | 6.93 |
| Customs Duty (S\$) | | - |
| Excise Duty (S\$) | | - |
| GST (S\$) | | 6.93 |
| Total Customs Duty (S\$) | | - |
| Total Excise Duty (S\$) | | - |
| Total GST (S\$) | | 6.93 |
| Total (S\$) | | 6.93 |
| Rounding Adjustments (S\$) | | -0.03 |
| Total Amount Payable (S\$) | | 6.90 |

A screenshot from the Customs@SG web application showing that the bottle of whisky was falsely declared as “GST goods” instead of “dutiable and taxable goods.”

ANNEX B

DO YOU KNOW?

1. Why do Singaporeans have to pay GST on their purchases overseas?

The imposition of Goods & Services Tax (GST) on goods imported into Singapore has been in force since 1 Apr 1994 when GST was implemented in Singapore. Levying GST on imported goods ensures a level playing field for local GST-registered businesses selling to local consumers. This is practised in most countries who have implemented GST or VAT.

To minimise inconvenience to international travellers and Singaporeans bringing a small amount of goods into Singapore for personal use or consumption, they are granted GST import relief based on the value of goods they bring in and the period that they are away from Singapore. Travellers will have to pay GST on the value of the goods which is in excess of the GST import relief granted to them.

2. I bought a \$2,000 bag while holidaying overseas and started using it during the trip. Do I still have to pay GST when I bring the bag home? How is the GST computed if there is no longer any price tag/receipt/packaging?

Yes, the bag is subject to the prevailing GST rate of 8 per cent. Should the price tag or receipt not be available, the value of the goods will be assessed based on the value of identical or similar goods when computing the GST payable.

If you have been away from Singapore for more than 48 hours, you will be entitled to a GST import relief amount of S\$500. Therefore, the amount of GST that you will have to pay is S\$120 [$S\$(2,000 - 500) \times 8$ per cent]. If you have been away from Singapore for less than 48 hours, you will be entitled to a GST import relief amount of S\$100. Therefore, the amount of GST that you will have to pay is S\$152 [$S\$(2,000 - 100) \times 8$ per cent].

3. I have already paid sales tax for an item purchased overseas and I did not claim tax refund. Do I still have to pay GST?

GST is applicable on all items brought into Singapore regardless of whether foreign sales tax was paid for the item overseas, and regardless of whether the traveller has claimed a tax refund for the item abroad.

4. I had received a gift while overseas. How is the tax calculated since I will not have a receipt and will not be able to estimate the value of the gift?

Without a receipt, the value of the goods will be assessed based on the value of identical or similar goods when computing the GST payable.