

Circular No : 12/2007

Date : 28 May 2007



SINGAPORE CUSTOMS

55 Newton Road, #07-01 Revenue House

Singapore 307987

Republic Of Singapore

Call Centre: 6355 2000

Fax no.: 62509606

E-mail: customs_documentation@customs.gov.sg

<http://www.customs.gov.sg>



All Traders and Declaring Agents

IMPLEMENTATION OF REVISED GST RATE OF 7%

During the Budget Day Speech 2007, the Government announced that the rate of Goods and Services Tax (GST) would be increased from 5% to 7% with effect from 1 July 2007. Hence, all imported goods and goods released from licensed premises for local consumption after 30 June 2007 will attract GST at the new rate of 7%.

2 If an importer has taken up a GST Payment Permit at GST rate of 5% in June 2007 but is unable to clear his goods by 30 June 2007, the importer will have to take out a Short Payment Permit for the difference of 2% in GST. Both copies of the GST Payment Permit and Short Payment Permit will have to be produced to the Immigration & Checkpoints Authority (ICA) officers at the entry points during clearance of the goods. Please note that electronic filing for extension of validity period will not be allowed for GST Payment Permits bearing the rate of 5% and expiring on or beyond 30 June 2007.

3 As a facilitative measure, importers can declare GST Payment Permits at GST rate of 7% from 21 June 2007 if they intend to clear the goods on or after 1 July 2007. This is to reduce the need to take out Short Payment Permits subsequently.

4 In the event where an importer has taken out a GST Payment Permit at 7% but cleared his goods before 1 July 2007, he can claim refund of the overpayment of 2% GST from Singapore Customs through electronic filing if he is a non-taxable person. If the importer is a taxable person, he can claim the total GST paid as input tax from the Inland Revenue Authority of Singapore (IRAS).

5 Please contact the Customs Call Centre at 6355 2000 followed by (*) (0) if you need further information.

WINSTON TAY WEE HUA
HEAD
DOCUMENTATION SPECIALISTS BRANCH
for DIRECTOR-GENERAL OF CUSTOMS

*An Active and Valuable Partner for the Trading Community
Your Satisfaction, Our Pride*