



Singapore Customs Media Release

ANOTHER CAR IMPORTER SENTENCED TO 54 WEEKS IN JAIL FOR FRAUDULENT EVASION OF DUTY & GST

On 15 September 2010, a Singaporean man, Lauren Sim Guan Heng (沈原興), aged 45, was sentenced by the Court to fines totalling \$526,000 or in default, 54 weeks' imprisonment for fraudulent evasion of duty and Goods and Services Tax (GST) on 41 cars imported from Japan. The duty and GST evaded on these cars amounted to \$40,953.85 and \$12,286.15 respectively. Sim pleaded guilty to 24 charges and the remaining 246 charges were taken into consideration.

2 As the sole proprietor of Crane Motor Enterprise, Sim had purchased 310 Japanese cars of various makes from his suppliers in Japan between August 2006 and September 2007. With the fraudulent intent to evade duty and GST, Sim had deliberately arranged for the commercial invoices to reflect lower values than what he had actually paid for. Sim then used these invoices to under-declare the value of the cars when he applied for import permits from Singapore Customs (SC) to bring the cars into Singapore for local sales. A total of 135 import permits were taken up by Sim over this period. The total duty and GST evaded was close to \$420,000!

3 Sim came under the watchful eyes of Customs officers when they became suspicious of the low values of his invoices. In June 2009, Sim was arrested for his fraudulent act and subsequently charged in court.

Level Playing Field for Traders

4 As the lead agency on trade facilitation and revenue enforcement matters, Singapore Customs (SC) regulates the trading system to create a level playing field for

all traders. It will take to task any trader who flouts customs regulations to defraud the State or to gain an unfair advantage over others.

5 Under the Customs Act, it is the responsibility of the importers to ensure the accuracy and completeness of the values and other related costs declared to SC. Under-declaration of the value is a serious offence as it will result in short payment of duty, GST. All cases of revenue evasion and violations of customs regulations are investigated, and action will be taken against the errant importers or any persons concerned in abetting the fraudulent evasion of duty and GST. Any person who is guilty of fraudulent evasion of duties or GST will be liable on conviction to a fine of up to 20 times the amount of duty and GST evaded or imprisonment, or both. In addition to the penalties meted out by the court, the offenders are also required to make good the duty and GST short-paid to the government.

**ISSUED BY: SINGAPORE CUSTOMS
KASTAM SINGAPURA**

新加坡关税局
சிங்கப்பூர் காங்கத்துறை

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