



INLAND REVENUE
AUTHORITY
OF SINGAPORE



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Former Singapore Customs officer convicted for fraudulently obtaining GST tourist refunds

Li Xiangqing, 34, a former Singapore Customs officer, was convicted for fraudulently obtaining Goods and Services Tax (GST) tourist refunds under the electronic tourist refund scheme (eTRS).

Li pleaded guilty to 10 charges of fraudulently obtaining GST tourist refunds amounting to \$30,761.63 under section 62(1)(e) of the GST Act. For his GST offences, the court sentenced him to a total of 18 months' imprisonment and a penalty of \$92,284.89, which is three times the amount of tax defrauded.

Modus Operandi of the GST Fraud

At the material time, Li was a Singapore Customs officer deployed at the GST Refund Inspection Counter at Changi Airport. His main duty was to process GST refund claims made by tourists leaving Singapore.

In the course of his work, he would be presented with claims for GST refunds from tourists. He would reject some of these tourists' claims and retain them. Li then decided to take advantage of his access to the Singapore Customs eTRS computer system to fraudulently obtain GST refunds. When the opportunity arose, he would take the details of these "rejected" GST refund claims and use the eTRS system to electronically process the GST refunds into his own credit cards or credit cards that were under his control.

Before embarking on this criminal enterprise, Li asked a friend to apply for a credit card on the pretext that he needed to use another person's credit card to mask his "moonlighting" business as he was still working in Singapore Customs then. In fact, Li had deceived his friend and there was no such "moonlighting" business. Li then used his friend's credit card to receive the GST refunds he had fraudulently approved for his own benefit.

The offences were committed from 2011 to 2012.

Zero Tolerance towards Tax Fraud and other Criminal Activities

Singapore has always adopted a zero tolerance approach towards tax fraud and other criminal activities. The authorities take a serious view of such criminal practices and will take swift action against any individuals and parties involved.

Anyone who commits the offence of wilful intent to obtain fraudulent GST refunds shall be liable on conviction to a penalty of up to 3 times the amount of refund wrongfully obtained and a fine not exceeding \$10,000, and/or imprisonment of up to 7 years.

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