

## **STEP 3:**

Perform Checks for the Selected GST Return(s)

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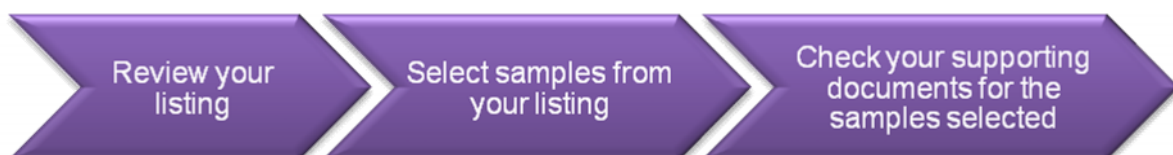
### Perform Checks for the Selected GST Return(s)

#### Overview

In Step 3, you need to perform specific checks on each figure declared in your GST return. The checks are segmented into the following parts of this guide:

Step	GST Transactions
3A	Check your Standard-rated Supplies and Output Tax
3B	Check your Zero-rated Supplies
3C-1	Check your Exempt Supplies (if you are actively making exempt supplies)
3C-2	Check your Exempt Supplies (if you are in general business)
3D	Check your Input Tax and Refunds Claimed (on local purchases, imports with GST paid, Tourist Refund Scheme and Bad Debt Relief)
3E	Check your Imports with GST Suspended (e.g. under MES) or with GST Deferred (under IGDS)


Each of the above parts in Step 3 requires you to perform the following:



## 1 Review your listing

1.1 Retrieve the following:

- a. your GST return filed for the accounting period(s) selected in Step 2; and
- b. the various listings used when filing the GST return.

 If you are using our recommended [Record-Keeping Templates](#), the figure declared in the respective box of your GST return should be obtained based on the listing(s) as shown below.

Listing	Box (in the GST return)										
	1	2	3	5	6	7	9	10	11	15	17
Standard-rated Supplies	✓				✓						
Zero-rated Supplies		✓									
Exempt Supplies			✓								
Taxable Purchases (Local)				✓		✓					
Taxable Purchases (Imports – GST Paid)				✓		✓					
Tourist Refund Scheme Claims						✓		✓			
Bad Debt Relief Claims						✓			✓		
Taxable Purchases (Imports - GST Suspended)				✓			✓				
Taxable Purchases (Imports - GST Deferred)				✓		✓				✓	✓

For example, to check your figure declared in Box 7 (*i.e. "Input tax and refunds claimed"*), you should retrieve the following listings:

- \* Taxable Purchases (Local)
- \* Taxable Purchases (Imports - GST Paid)
- \* Tourist Refund Scheme Claims
- \* Bad Debt Relief Claims
- \* Taxable Purchases (Imports - GST Deferred) if you are under Import GST Deferment Scheme (IGDS)

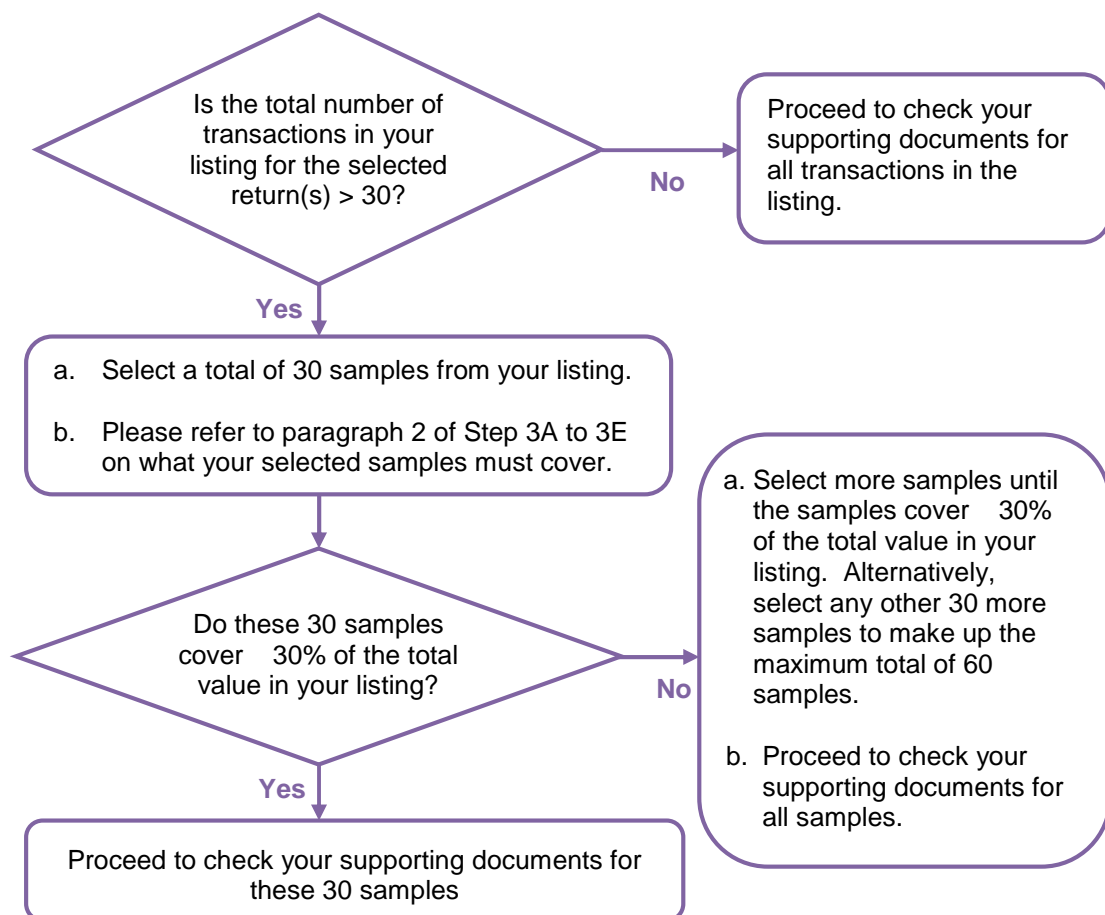
1.2 Refer to paragraph 1 of Step 3A to 3E on the checks to be performed on each listing.

## 2 Select samples from your listing

For each figure declared in your GST return, you must check the supporting documents of either all the transactions reported or a representative sample selected from your listing.

Follow the flowchart below to determine the amount of samples to be selected for each of Step 3A to 3E.

### Flowchart on the Selection of Samples



For monthly filing period, apply the selection process on your listing for the selected 3 consecutive returns and ensure that the samples are selected from each return.

See  below for illustration.

**i** *If you are on monthly filing period*

Assume you have selected your GST returns for Jan, Feb and Mar 2009 to perform ASK Annual Review on your standard-rated supplies and output tax.

- If your standard-rated supplies listing for this 3-month period (i.e. Jan, Feb and Mar 2009) have **less** than 30 transactions in total, you will need to perform checks on ALL transactions.
- If your total number of transactions for this 3-month period is **more** than 30, you should first select 30 samples in total from the 3-month period and see if these 30 samples cover minimum 30% of the total value of the transactions. If the 30 samples cover less than 30% of the total value of the transactions, you should select more samples to try reach 30% of the total value, up to a maximum of 60 transactions in total.

E.g. Your listing shows as follows:

Month	No. of transactions	Total value of standard-rated supplies in listing
Jan 2009	49	\$10,563
Feb 2009	66	\$20,572
Mar 2009	85	\$41,742
<b>Total</b>	<b>200</b>	<b>\$72,877</b>

From these 200 transactions, you are to first select transactions from each month to make up a minimum of 30 samples. See if these 30 samples cover at least 30% of the total transactions value for 3-month period (i.e. 30% x \$72,877).

Value of the 30 samples	Do you need to select more samples?	Your samples size will be:
Equal or more than 30% of the total transactions value	No.	30
Less than 30% of the total transactions value	Yes. E.g. You select another 10 samples and the value of these 40 samples can reach 30% of the total transactions value.	40
	Yes. E.g. You select another 30 samples and the value of these 60 samples still cannot reach 30% of the total transactions value.	60 (i.e. the maximum number of samples required)

### 3 Check your supporting documents for the samples selected

Refer to paragraph 3 of Step 3A to 3E on the checks to be performed on your samples selected.

## Important Note

Please note the following:

- a) The specified sample size and methodology of selecting samples are the minimum requirements if this review is requested by IRAS for a specific purpose. Other than that, they serve as suggested guidelines to help businesses determine how much and what to check in conducting an annual review for GST health-check.
  
- b) IRAS recommends quantitative indicators at various steps in the 'ASK' Annual Review process to help flag out differences that are significant enough to point the businesses to investigate further. While the size of differences below the recommended threshold may not be considered as significant under 'ASK' Annual Review, this does not necessarily imply that the GST declarations are error-free. Businesses may wish to conduct their own checks and ascertain whether the differences can be explained or substantiated.
  
- c) IRAS reserves the rights to verify and extend the scope of audit checks beyond the samples selected by businesses which have performed the checks according to this 'ASK' Annual Review Guide. Should additional errors be detected during the course of IRAS audits, they will be treated no differently than those errors detected without an 'ASK' Annual Review.

If you have any enquiry on Assisted Self-Help Kit ('ASK'), please call 1800-356 8633 or email to [gst@iras.gov.sg](mailto:gst@iras.gov.sg).