



INLAND REVENUE  
AUTHORITY  
OF SINGAPORE

# **GOODS AND SERVICES TAX ASSISTED SELF-HELP KIT (‘ASK’)**

ANNUAL REVIEW GUIDE  
(2<sup>ND</sup> EDITION)

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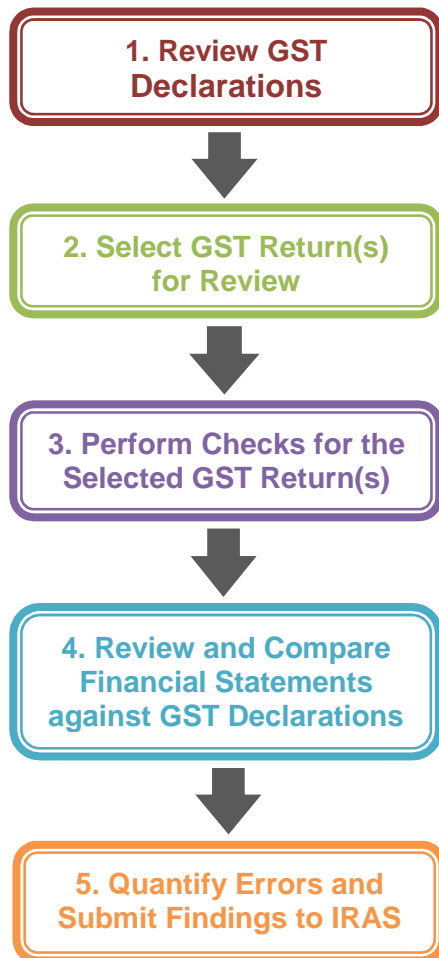
## Important Note

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).

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# STEP 1:

Review your GST Declarations for a Financial Year

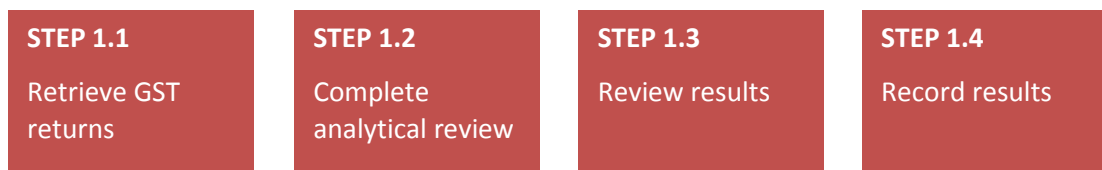
# STEP 1:

## Review your GST Declarations for a Financial Year

### Overview

The purpose of this step is to detect possible errors in your GST returns filed within a financial year. If discrepancies are noted from this analytical review, you have to explain and quantify the errors (if any).

### Detailed guide



Each of these steps is discussed below.

- 1.1 Retrieve your GST returns filed for the past financial year.





*z If your financial year ends on 31 Dec 2009, you should obtain your GST returns filed for the period 1 Jan 2009 to 31 Dec 2009.*

- 1.2 Complete the analytical review by inputting the amounts from your GST returns into Template 1.

Template 1 is formulated to assist you in detecting possible errors in your GST returns. Various analyses are done to test whether your GST declarations are in line with your business environment and financial results. It is also for you to record down the results of your checks conducted in Steps 1 and 4.

**Template 1**  
[\(click to download\)](#)

1.3 Review the results shown in the template and perform the following checks:

Step	Checks	Action
a	Check whether there are any major fluctuations in the standard-rated supplies, zero-rated supplies, exempt supplies and taxable purchases declared during the financial year.	Assess if the fluctuation is in line with your business cycle <sup>1</sup> or due to significant change that has happened to your business   <i>A substantial jump in standard-rated supplies could be due to once-off disposal of commercial property. Assess if you have charged and accounted for GST on the sale of commercial property in your GST returns.</i>
b	Check whether there are significant differences between “Declared output tax” and “Computed output tax” (refer to Row 47 of Template 1).	If the difference is > -\$10,000 (i.e. negative value of \$10,000), explain and reconcile the difference.   <i>You may have under-accounted output tax or made a reporting error in the standard-rated supplies figure.</i>
c	Check whether there are significant differences between “Declared input tax” and “Computed input tax” (refer to Row 60 of Template 1).	If the difference is > \$10,000, explain and reconcile the difference.   <i>You may have over-claimed input tax or made an error in the taxable purchases figure.</i>
d	Compute the Total Taxable Purchases over Total Supplies (in short, TP/TS) ratio for the year (refer to Row 70 of Template 1).	If the yearly ratio is > 1.2 (i.e. your purchases are much higher than your sales), evaluate if this trend is reasonable <sup>2</sup> and explain reasons for the high TP/TS ratio.   <i>You may have under-declared your supplies or over-declared your taxable purchases.</i>

1.4 Record the results of your checks and your explanation for the discrepancies (if any) in Template 1.

<sup>1</sup> It is common for businesses to have cyclical fluctuations in their sales and/or purchases in certain periods of the year. For example, retail businesses generally have higher sales during the Great Singapore Sale in the months of May and June as well as during festive periods e.g. Christmas and Chinese New Year.

<sup>2</sup> While a TP/TS ratio of >1.2 could be due to valid reasons (e.g. high purchases of machinery or stock made in anticipation of future increase in sales), it may also flag out possible errors made in your GST returns (e.g. omission of supplies made to related company).

## **STEP 2:**

Select GST Return(s) for Review

## STEP 2: Select GST Return(s) for Review

### Determine which GST return(s)

- ★ For each of your GST returns filed for the past financial year, add up the values of your Total Supplies in Box 4 and Taxable Purchases in Box 5 (refer to Row 81 of Template 1).
- ★ Select the GST return(s) with the **highest total** to conduct 'ASK' Annual Review.



### Determine number of GST return(s)

- ★ For quarterly or 6-monthly filing period, select 1 GST return.
- ★ For monthly filing period, select 3 consecutive GST returns<sup>3</sup>.

Filing Frequency	No. of returns to select
Monthly	3
Quarterly	1
6-monthly	1

<sup>3</sup> For monthly filing period, select the GST return with the highest total of Box 4 + Box 5 and any other 2 GST returns to cover 3 consecutive months.

*E.g. your GST return for the month of Mar 2009 has the highest total of Box 4 + Box 5. Hence, you can choose to conduct 'ASK' annual review on your monthly GST returns for:*

- *Jan, Feb and Mar 2009;*
- *Feb, Mar and Apr 2009; or*
- *Mar, Apr and May 2009.*

## **STEP 3:**

Perform Checks for the Selected GST Return(s)

## **STEP 3:**

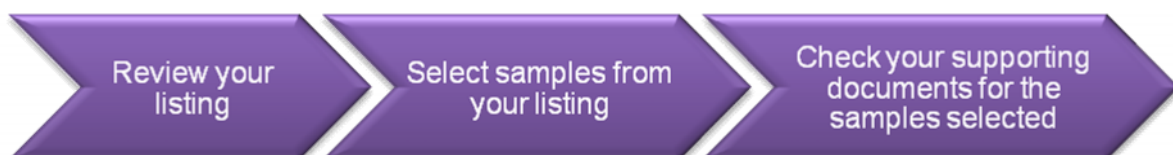
### Perform Checks for the Selected GST Return(s)

#### **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)

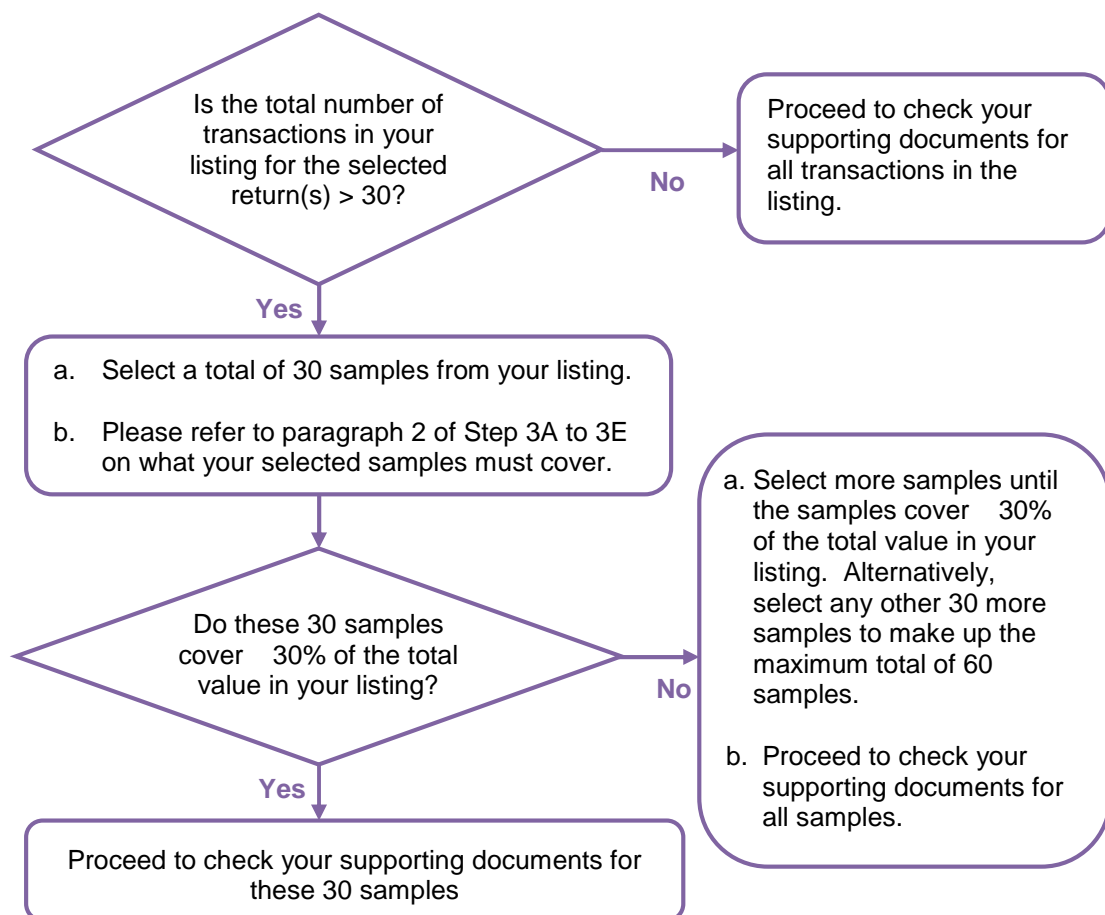
1.2 Refer to paragraph 1 of Step 3A to 3E on the checks to be performed on each listing.

## 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.

## **STEP 3A:**

Check your Standard-rated Supplies  
and Output Tax

## STEP 3A:

### Check your Standard-rated Supplies and Output Tax

#### 1 Review your listing

Perform the following checks on your standard-rated supplies and output tax listing.

- a. Check that the total amounts of your listing tally with the values of standard-rated supplies and output tax declared in Box 1 and 6 of your GST return.
- b. To ensure completeness, run through the invoice numbers in your listing and see if there is any missing invoice number not found in the listing. (You will find this easy if you have issued and recorded the invoices in running serial number.)
- c. Check if there is any transaction that reduces the Sales Amount Excluding GST and the GST Amount in your listing. Ensure that the reduction is made on your sales based on either your credit note issued to the customer or debit note received from your customer during the accounting period of your GST return.
- d. Ensure that you have included all your sales in the listing and apply the GST treatment correctly on your transactions.

 *Remember to include:*

- Cash sales
- Local sales made by your overseas principal for whom you are acting as the local agent under Section 33(2) of GST Act
- Sales made outside your usual course of business (e.g. on used equipment, scrap metal, empty boxes, etc.)
- Re-billing for purchases paid on behalf
- Goods given free as gifts (including those that are not commercial samples)
- Sale or disposal of your business asset

 Complete the [Pre-Filing Checklist for Standard-rated Supplies and Output tax](#), if you have not done so when filing the GST return.

## 2 Select samples from your listing

Follow the 'Flowchart on the Selection of Samples' in Step 3 - Overview. If your standard-rated supplies listing has more than 30 transactions, you should select:

- at least 30 samples to cover minimum 30% of the total value of standard-rated supplies in your listing, or a maximum of 60 samples; and
- At least 1 sample from each of the category below that applies to your business.

Category
Standard-rated supplies relating to your trade covering: <ul style="list-style-type: none"><li>• Different customers</li><li>• Tax invoices billed in foreign currency</li><li>• Credit notes issued to / debit notes received from your customers</li></ul>
Standard-rated supplies not relating to your trade ( <i>e.g. reimbursements, deemed supplies, sale or disposal of fixed assets</i> )
Standard-rated supplies made to your related parties and those which you have made as the local agent of your overseas principal under Section 33(2)

## 3 Check your supporting documents for the samples selected

3.1 Retrieve your source documents for the samples selected in Step 3A.2. The source documents include:

- Tax invoices, simplified tax invoices and receipts issued by you;
- Credit notes issued to your customers; and
- Debit notes received from your customers.

3.2 Perform the following checks on your source documents and listing.

- a. For each of the samples which you have issued a tax invoice, simplified tax invoice or receipt, check that:
  - i. GST is charged at the correct tax rate at the time of your sale.

- ii. The Total Amount Excluding GST and the Total GST Amount are recorded correctly in your listing based on the source document.

*z* As GST amount may not be shown separately on your simplified tax invoices and receipts, you should account for GST by re-grossing the Total Amount Including GST based on tax fraction<sup>4</sup>.

- iii. If your tax invoice is issued in foreign currency, it must also show the Total GST Amount in Singapore Dollars. Ensure that you record the Singapore Dollars values in your listing.
- b. For credit notes issued to your customers and/or debit notes received from your customers, ensure that:
    - i. The credit note and/or debit note is issued to make a reduction in your standard-rated supply and GST. It must state down the number and date of the tax invoice issued for your original sale.
    - ii. You have reported the original value of the standard-rated supply and accounted for output tax in your GST return based on your tax invoice.
    - iii. The Total Amount Excluding GST and the Total GST Amount on the credit note or debit note are correctly reduced in your listing.

*z* You should reduce the value of your standard-rated supply and output tax only once in your GST return based on either your credit note or the customer's debit note. Do not make your adjustments more than once.

## 4 Record the results of your checks in Template 2

Template 2 – Checklist For Standard-Rated Supplies and Output Tax contains the above checks that you need to perform to ensure that GST is properly charged for your standard-rated supplies. It is also for you to record down results of your checks.

Template 2  
[\(click to download\)](#)

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<sup>4</sup> E.g. When GST rate is 7%, the tax fraction will be 7/107.

## **STEP 3B:**

Check your Zero-rated Supplies

## STEP 3B: Check your Zero-rated Supplies

### 1 Review your listing

Perform the following checks on your zero-rated supplies listing.

- a. Check that the total sales amount of your listing tallies with the value of zero-rated supplies declared in Box 2 of your GST return.
- b. To ensure completeness, run through the invoice numbers in your listing and see if there is any missing invoice number not found in the listing.

### 2 Select samples from your listing

Follow the 'Flowchart on the Selection of Samples' in Step 3 - Overview. If your zero-rated supplies listing has more than 30 transactions, you should select:

- at least 30 samples to cover minimum 30% of the total value of zero-rated supplies in your listing, or a maximum of 60 samples; and
- At least 1 sample from each of the category below that applies to your business.

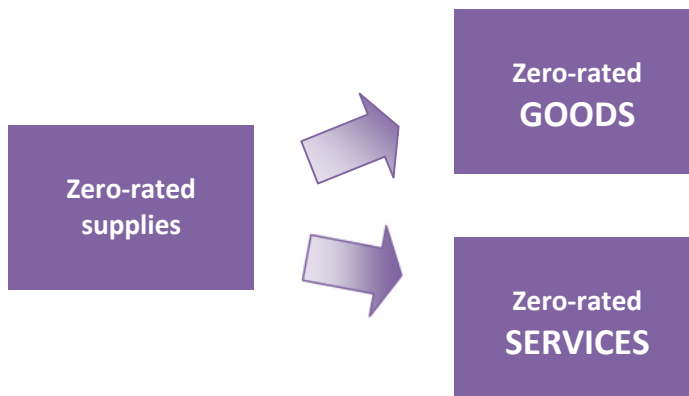
Category	Samples selected should cover:
Exports of Goods	<ol style="list-style-type: none"> <li>i. Different customers, especially your local customers</li> <li>ii. Direct export scenarios where you arrange for the export of your goods (<i>e.g. through your own freight forwarder</i>)</li> <li>iii. Indirect export scenarios where you are not the one arranging for the export of your goods</li> <li>iv. Different modes of export (<i>e.g. via air, sea, land, hand-carry, courier, etc.</i>)</li> </ol>
International Services	<ol style="list-style-type: none"> <li>i. Different customers, especially your related parties and local customers</li> <li>ii. Different types of services provided by you</li> </ol>

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

- 3.1 Retrieve your invoices issued for the samples selected in Step 3B.2. Perform the following checks on each invoice and your zero-rated supplies listing.
- a. There is no GST amount on your invoice or GST amount is recorded as zero.
  - b. The total sales amount is recorded correctly in your listing based on your invoice. If your invoice is issued in foreign currency, ensure that you convert your total sales amount into Singapore Dollars and record it in your listing.
  - c. From the description of sale that is stated on your invoice, determine whether you have made a supply of goods and/or services. Check whether you have correctly zero-rated your supply.

! Complete the [Pre-Filing Checklist for Zero-rated Supplies](#), if you have not done so when filing the GST return.

#### Separate checks for zero-rated goods and services



#### 3.2 Checks on zero-rated supplies of **goods** (as determined in Step 3B.3.1c)

Under the GST law, you can zero-rate your supply of goods only when your goods are exported out of Singapore. To prove that your goods are exported, you are required to maintain export evidence (i.e. both transaction documents and transport documents) specified in our e-Tax Guide, ["A Guide on Exports"](#).

However, for the purpose of this annual review, we will only require you to check the transport document(s) for your samples. While you need not verify the transaction documents (e.g. your delivery note or packing list, evidence of payment received from customer, etc) for the samples, please make sure that you have maintained them to support your sales.

- a. For each relevant sample, check whether you maintain the transport document(s). The type of transport document(s) required will depend on how your goods are exported out of Singapore. Retrieve your transport document(s).

Common Export Scenarios <sup>5</sup>	Transport Document(s) Required
Exports via sea	Bill of lading
Exports via air	Air waybill
Exports via land	Export permit
When your goods are consolidated with other local exporters' goods before export via sea, air or land	Subsidiary Export Certificate or
When your goods are delivered to another freight forwarder for co-loading before export via sea, air or land	Note of Shipment issued by a freight forwarder or handling agent
Exports via post or courier	Parcel despatch note or courier consignment note
Hand-carried exports via Changi International Airport on or after 1 Apr 2009 <sup>6</sup>	Export permit endorsed by Singapore Customs
Hand-carried exports via <ul style="list-style-type: none"> <li>• Changi International Airport before 1 Apr 2009;</li> <li>• Seletar Airport, Sea or Land</li> </ul>	All documents listed in Scenario 8.1B of e-Tax Guide, <a href="#">"A Guide on Exports"</a>

<sup>5</sup> Please refer to e-Tax Guide, ["A Guide on Exports"](#), for more information and for industry-specific export scenarios (e.g. supply of bunker fuel, goods to be used as stores on vessels, etc).

<sup>6</sup> With effect from 1 Apr 2009, supplies of goods that are hand-carried out of Singapore via Changi International Airport can be zero-rated only if all conditions of the Hand-Carried Exports Scheme are met. Please refer to e-Tax Guide, ["GST: Guide on Hand-Carried Exports Scheme"](#), for more details of this scheme.

- b. Perform the following checks on the transport document(s) for each sample. Ensure that:
- i. The transport document(s) shows your business name as the exporter.
  - ii. The transport document(s) indicate that the goods are to be exported from Singapore to an overseas country.
  - iii. The transport document(s) bear sufficient information to support that the goods exported are identical to the goods you sold.

***i** Your invoice number is stated on the transport document. The details (e.g. description, quantity and value) of goods on the transport document can match with the details on your invoice or other documents (such as delivery note, packing list, etc).*

### 3.3 Checks on zero-rated supplies of **services** (as determined in Step 3B.3.1c)

You can zero-rate your supply of services only if it falls within the description of international services under Section 21(3) of the GST Act.

The following are simple indicators to guide you on whether you have provided international services that can qualify for zero-rating. For more information and examples on international services, please refer to [IRAS website and Section 21\(3\) of the GST Act](#).

- a. Retrieve your invoice, contract and/or correspondences with the customer.
- b. Examine the nature of your services. Determine whether you have provided international services that fall within 1 of the following broad categories:
  - i. International transport of passengers and/or goods
  - ii. Services supplied directly in connection<sup>7</sup> with:
    - Land or buildings located outside Singapore
    - Goods located outside Singapore when your services are performed
    - Goods to be exported out of Singapore and are supplied to an overseas customer at the time when you perform the services
  - iii. Specific services performed wholly outside Singapore:
    - Cultural, artistic, sporting, educational or entertainment services
    - Exhibition or convention services
    - Other services that are supplementary to the above, including organising the performance outside Singapore
  - iv. Services supplied to and directly benefiting<sup>7</sup> a person belonging outside Singapore at the time when you perform the services
  - v. Prescribed services supplied to and directly benefiting<sup>7</sup> an overseas person belonging outside Singapore in his business capacity (and not in his private or personal capacity)
  - vi. Prescribed services comprising international telecommunication transmission
- c. If your services do not fall within any of the categories in Step 3B.3b, please refer to [IRAS website](#) for the complete list of international services and determine if you have correctly zero-rated your supplies of services.

#### **4 Record the results of your checks in Template 3**

Template 3 – *Checklist For Zero-Rated Supplies* contains the above checks that you need to perform to ensure that supplies qualify for zero-rating and export documents are maintained for goods that are zero-rated. It is also for you to record down results of your checks.

Template 3  
[\(click to download\)](#)

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<sup>7</sup> Please refer to e-Tax Guide, "[Clarification on 'Directly in connection with' and 'Directly benefit'](#)", for more information.

## **STEP 3C:**

Check your Exempt Supplies

Step 3C-1: If you are actively making exempt supplies

Step 3C-2: If you are in general business

## **STEP 3C:** Check your Exempt Supplies

### **Instructions**

You only need to perform **either** Step 3C-1 or Step 3C-2 on your exempt supplies.

### **Who should perform Step 3C-1**

Perform Step 3C-1 if your core business falls into 1 or both of the following categories:

- Developing or investing in residential properties (i.e. you generate income from your sale and/or lease of residential properties)
- Providing financial services (e.g. as a financial institution)

### **Who should perform Step 3C-2**

If your core business does not fall into any of the above 2 categories but you have made exempt supplies in the ordinary course of your business, you do not need to perform Step 3C-1. Proceed to Step 3C-2 for general business instead.

## STEP 3C-1:

### Check your Exempt Supplies If you are actively making exempt supplies

#### 1 Review your listing

Perform the following checks on your exempt supplies listing.

- a. Check that the total amount of your listing tally with the value of exempt supplies declared in Box 3 of your GST return.
- b. Run through the invoice numbers in your listing and see if there is any missing invoice number not found in the listing.
- c. Check if there is any transaction that reduces the Sales Amount in your listing. Ensure that the reduction is made on your sales based on your credit note issued to the customer during the accounting period of your GST return. Your listing should record down the reference number of your credit note.
- d. Ensure that the value of exempt supplies is reported correctly in your listing. Please refer to our e-Tax Guide, ["How Do I Prepare My GST Return?"](#) on how to fill up Box 3.

**i** The value of exempt supply to be reported in Box 3 of the GST return depends on the type of your exempt transaction. E.g. the value of exempt supply for sale of shares is the gross sales proceeds from the sale, while the value of exempt supply for hedging activities (such as swap transactions, futures contracts, etc.) should be the net realised gain or loss arising from the transaction.

If your exempt transaction results in a net realised loss, you should include the absolute value (i.e. drop the negative sign) in Box 3 of your GST return.

- e. Ensure that you have correctly applied the GST treatment in exempting the supplies and reported all exempt supplies made.

! Remember to include:

- Sale or lease of residential properties
- Income like bank interest, foreign exchange rate gain or loss relating to financial services provided in addition to your core business. For instance, if you are in the life insurance business, you are also required to report other sources of exempt supplies like interest income from bank deposit, etc.

! Complete the [Pre-Filing Checklist for Exempt Supplies – Pty & FS](#), if you have not done so when filing the GST return.

## 2 Select samples from your listing

Follow the 'Flowchart on the Selection of Samples' in Step 3 - Overview. If your exempt supplies listing has more than 30 transactions, you should select:

- at least 30 samples to cover minimum 30% of the total value of exempt supplies in your listing, or a maximum of 60 samples; and
- At least 1 sample from each of the category below that applies to your business.

### Category

Exempt supplies relating to your trade covering:

- Different categories or types of transactions
- Different customers

Exempt supplies not relating to your trade (e.g. interest income from bank deposit, rental income from lease of residential properties, etc.)

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

- 3.1 Retrieve your invoices and receipts issued for the samples selected in Step 3C-1.2.
- 3.2 Perform the following checks on each invoice or receipt and your exempt supplies listing.
- a. The total sales amount is recorded correctly in your listing based on your invoice or receipt. If your invoice is issued in foreign currency, ensure that you convert your total sales amount into Singapore Dollars and record it in your listing.
  - b. The nature of your transaction qualifies as an exempt supply.

### 4 Record the results of your checks in Template 4

Template 4 – *Checklist For Exempt Supplies – Pty & FS* contains the above checks that you need to perform to ensure that supplies qualify for GST exemption. It is also for you to record down results of your checks.

Template 4  
[\(click to download\)](#)

## **STEP 3C-2:**

### Check your Exempt Supplies If you are in general business

#### **1 Review your listing**

Perform the following checks on your exempt supplies listing.

- a. Check that the total amount of your listing tally with the value of exempt supplies declared in Box 3 of your GST return.
- b. Ensure that the value of exempt supplies is reported correctly in your listing. Please refer to our e-Tax Guide, "[How Do I Prepare My GST Return?](#)" on how to fill up Box 3.

***i** The value of exempt supply to be reported in Box 3 of the GST return depends on the type of your exempt transaction. E.g. the value of exempt supply for sale of shares is the gross sales proceeds from the sale, while the value of exempt supply for hedging activities (such as swap transactions, futures contracts, etc.) should be the net realised gain or loss arising from the transaction.*

*If your exempt transaction results in a net realised loss, you should include the absolute value (i.e. drop the negative sign) in Box 3 of your GST return.*

- c. Ensure that you have correctly applied the GST treatment in exempting your supplies and reported all exempt supplies made.

! Remember to include:

- Sale or lease of residential properties
- Income from financial services like bank interest, foreign exchange rate gain or loss, interest earned from loan to related company, etc.

! Complete the [Pre-Filing Checklist for Exempt Supplies – General Business](#), if you have not done so when filing the GST return.

## 2 Record the results of your checks in Template 5

Template 5 – *Checklist For Exempt Supplies – General Business* contains the above checks that you need to perform to ensure that supplies qualify for GST exemption. It is also for you to record down results of your checks.

Template 5  
[\(click to download\)](#)

## **STEP 3D:**

**Check your Input Tax and Refunds Claimed**  
*(on Local Purchases, Imports with GST Paid, Tourist  
Refund Scheme and Bad Debt Relief)*

## **STEP 3D:**

### **Check your Input Tax and Refunds Claimed** *(on Local Purchases, Imports with GST Paid, Tourist Refund Scheme and Bad Debt Relief)*

#### **1 Review your listing(s)**

- 1.1 Perform the following checks on the listing(s) for your input tax and refunds claimed.
- a. Check that the total amount of your respective listing(s) tallies with the value declared in Box 5, Box 7, Box 10 and Box 11 of your GST return (please refer to paragraph 1.1 of Step 3 - Overview).
- If you have been approved to import goods with GST suspended (e.g. under the Major Exporter Scheme, etc.), the value of such imports should also be included in Box 5 of your GST return.
- Similarly, if you have been approved to import goods with GST deferred (under the Import GST Deferment Scheme), the value of such imports and the corresponding import GST deferred that are attributable to your taxable supplies should be included in Box 5 and Box 7 of your GST return. Please refer to Step 3E on how to check your imports with GST suspended or deferred.
- b. If you are not approved under the Major Exporter Scheme (MES), Import GST Deferment Scheme (IGDS) or any other GST scheme to import goods with GST suspended or deferred, run through your listing(s) and see if there is any import permit number that begins with 'ME' or 'MC'. This is to check whether you have wrongly imported goods with GST suspended or deferred by using another business' MES or IGDS status.

***i** If yes, you should exclude such imports from your GST return and write to the Comptroller of GST for rectification of the error.*

- c. Look through the dates of transaction, invoice or import permit recorded in your listing(s). For transactions with dates falling before or after the accounting period

of the selected GST return, ensure that you did not claim the input tax again in your GST returns for other accounting periods.

*! You must hold the supporting tax invoice or import permit when you make the input tax claim in your GST return. Hence, the dates recorded in your listing(s) should generally fall within or before the accounting period of your GST return.*

- d. Check that you do not make input tax claims on the same transaction more than once.

*! The possibility of you making duplicate input tax claims can be reduced if you generate your listing(s) using an accounting software which has in-built functions or controls that can prohibit or highlight duplicate entries.*

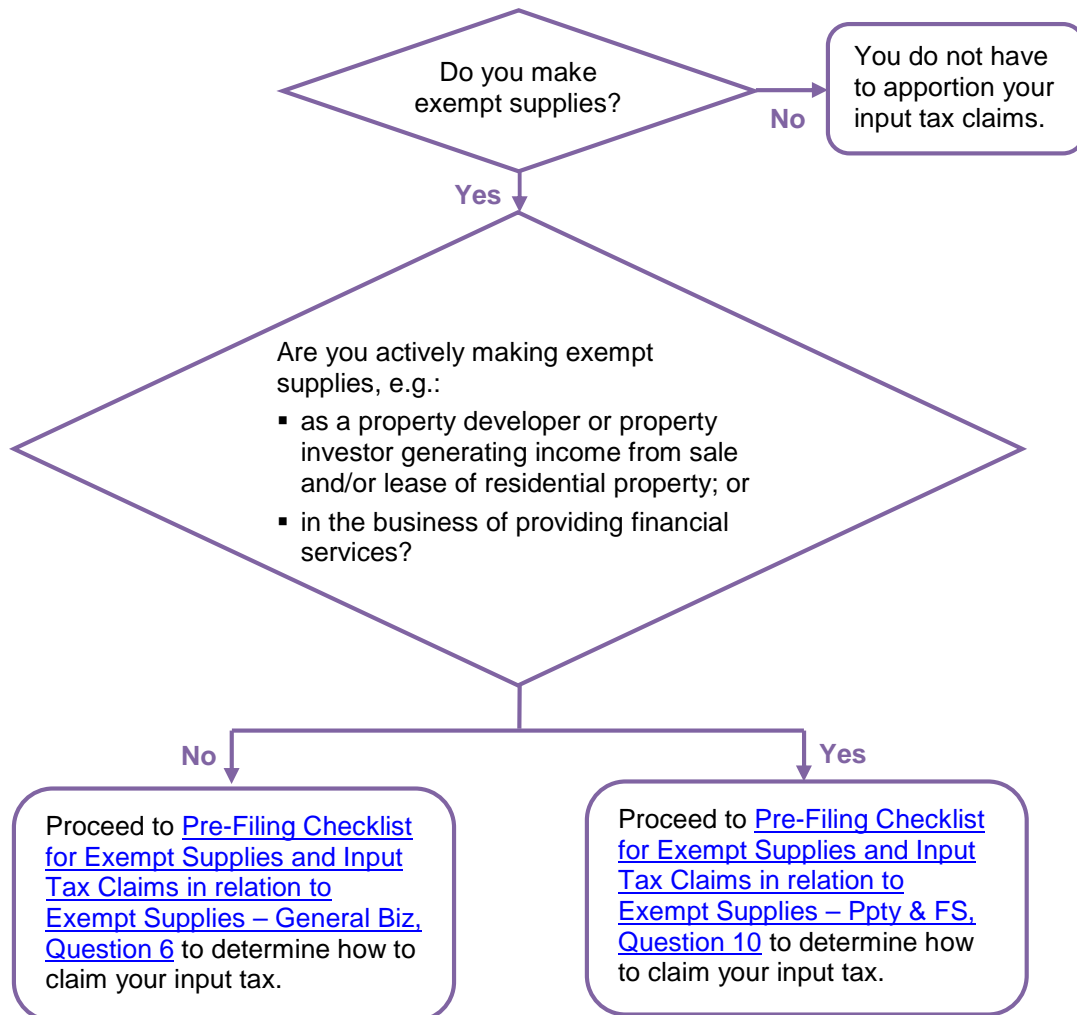
- e. Retrieve all credit notes received from your suppliers or debit notes issued to your suppliers during the accounting period of your GST return. Ensure that the Purchase Amount Excluding GST and the GST Amount have been reduced correctly in your listing(s) based on these credit notes or debit notes.
- f. Run through your listing(s) and pick out transactions with description or of nature such as *entertainment, phone charges, transport claims, miscellaneous expenses, medical expenses, etc.* Ensure that these input tax claims are for your business purposes.
- g. Ensure that you do not claim any input tax that is not allowable.

*! You should not claim input tax on the following:*

- Purchases from non GST-registered suppliers*
- Purchases where input tax is specifically not allowed:*
  - \* Club subscription fee charged by sporting and recreational clubs*
  - \* Medical expenses, medical and accident insurance premium incurred by your staff (excluding those covered under the Work Injury Compensation Act or under any collective agreement under the Industrial Relations Act)*
  - \* Benefits provided to the family members or relatives of your staff*
  - \* Costs and running expenses (e.g. on petrol, parking, ERP charges) of motor cars (except for Q-plated cars)*

*! Complete the [Pre-Filing Checklist for Taxable Purchases and Input Tax & Refunds Claimed](#), if you have not done so when filing the GST return.*

1.2 Follow the flowchart below to determine if you are required to apportion your input tax claims. If yes, ensure that you have apportioned and claimed your input tax correctly.



## 2 Select samples from your listing

Follow the 'Flowchart on the Selection of Samples' in Step 3 - Overview. If the total number of transactions in your various listing(s) for input tax and refund claims adds up to more than 30, you should select:

- at least 30 samples to cover minimum 30% of the total input tax and refund claims in your listing(s), or a maximum of 60 samples; and
- At least 1 sample from each of the category below that applies to your business.

Category	Samples selected should include:
Local Purchases	<u>Trade Purchases and Expenses covering:</u> i. Different nature of goods or services purchased ii. Tax invoices billed in foreign currency
Imports with GST paid	
Tourist Refund Scheme ("TRS") Claims	
Bad Debt Relief ("BDR") Claims	

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

#### 3.1 Checks on your input tax claims on **Local Purchases**

Retrieve the source documents (i.e. tax invoices, simplified tax invoices and/or receipts received by you) for the samples selected in Step 3D.2.

Perform the following checks on your source documents and listing.

- a. The tax invoice is addressed to your business name and shows the amount of GST charged on your purchase.
- b. The Purchase Amount Excluding GST and the Total GST Amount are recorded correctly in your listing based on the source document.

*📌 As GST amount may not be shown separately on simplified tax invoices and receipts, you should claim for GST by re-grossing the Total Amount Including GST based on tax fraction<sup>8</sup>.*

- c. If the source document (tax invoice) is issued in foreign currency, you should claim input tax based on the Total GST Amount shown in Singapore Dollars or by using the exchange rate stated by the supplier on the tax invoice. You should not use your own exchange rate to claim input tax on your purchase.
- d. The purchase is incurred wholly for your business purposes and is allowable. Check that you do not claim input tax on those purchases listed in Step 3D.1.1g.

<sup>8</sup> E.g. When GST rate is 7%, the tax fraction will be 7/107.

### 3.2 Checks on your input tax claims on **Imports (with GST paid)**

Ensure that you have the supporting import permits or subsidiary import certificates for the samples selected in Step 3D.2.

Perform the following checks on your import permit or subsidiary import certificate and listing for each sample. Check that:

- a. The import permit or subsidiary import certificate shows your business name as the importer.
- b. The Total Amount Excluding GST and the Total GST Amount are recorded correctly in your listing based on the CIF amount and GST amount stated on the import permit or subsidiary import certificate.
- c. The goods are imported for your business purposes.

### 3.3 Checks on your refunds claimed on **Tourist Refund Scheme**

If you are operating the Tourist Refund Scheme on your own, you would give the GST refunds to your customers (who are eligible tourists) and then recover the tax from the Comptroller of GST in your GST returns.

Below are simple checks to help you in ensuring that your refunds claimed on Tourist Refund Scheme are correct. For more information on the scheme, please refer to the e-Tax Guide, ["Guide to Retailers Operating Tourist Refund Scheme"](#).

Ensure that you have these supporting documents for the samples selected in Step 3D.2. The source documents include:

- Refund forms for your refunds claimed on the Tourist Refund Scheme
- Tax invoices, simplified tax invoices and/or receipts issued by you
- Evidence of your GST refund made to tourists (e.g. your bank statements)

Perform the following checks on your source documents and listing for each sample.

Check that:

- a. The refund form bears the original endorsement made by Singapore Customs.
- b. The refund form is endorsed by Singapore Customs within 2 months from the date of your tax invoice or receipt.
- c. You have reported the original value of the standard-rated supply and accounted for output tax in your GST return based on your tax invoice or receipt.
- d. There is evidence of your GST refund made to your tourist customer during the accounting period of the selected GST return (e.g. your bank statement showing that your cheque for the GST refund has been encashed by the tourist).
- e. The Total GST Amount (Refunded) is recorded correctly in your listing based on the refund form endorsed by Singapore Customs.

#### 3.4 Checks on your refunds claimed for **Bad Debt Relief**

Ensure that you have completed the checklist "[Self-review of Eligibility to Claim Bad Debt Relief](#)" and satisfied all the conditions listed in that checklist.

## 4 Record the results of your checks in Template 6

Template 6 – *Checklist For Input Tax and Refunds Claimed* contains the above checks that you need to perform to ensure that GST is properly claimed. It is also for you to record down results of your checks.

Template 6  
[\(click to download\)](#)

## STEP 3E:

Check your Imports  
with GST Suspended (*e.g. under MES*) or  
with GST Deferred (*under IGDS*)

## **STEP 3E:**

### Check your Imports with GST Suspended (e.g. under MES) or with GST Deferred (under IGDS)

#### **Overview**

GST is chargeable upon importation of goods in Singapore. However, GST on imports may be suspended under certain GST schemes e.g. Major Exporter Scheme (MES), Approved Third Party Logistics Company Scheme (A3PL), Approved Import GST Suspension Scheme (AISS), Approved Contract Manufacturer and Trader Scheme (ACMT) applicable to approved contract manufacturers. If you have imported goods with GST suspended under such scheme(s), you need to declare the total value of goods imported under such scheme(s) in Box 9 and include this amount in Box 5 (i.e. "Total value of taxable purchases") of your GST return.

In addition, GST on imports may also be deferred under the Import GST Deferment Scheme (IGDS). If you have imported goods with GST deferred under IGDS, you need to declare the value of such imports in Box 17 ("Total value of goods imported under this scheme") and the corresponding import GST in Box 15 ("Deferred import GST payable") of your GST return. After which, you can then include the import amount in Box 5 ("Total value of taxable purchases") and your GST claim in Box 7 ("Input tax and refunds claimed") of your GST return provided that such imports under IGDS are attributable to the making of your taxable supplies.

An important point to note is that the GST suspension and GST deferment schemes are mutually exclusive. That is to say, if you are currently under MES, your MES status would be invalidated if you are approved for the IGDS and vice versa.

The following steps are tailored specifically for GST-registered businesses under MES or IGDS. If you are under MES or IGDS, you would need to complete the below steps to verify the accuracy of your Box 9 figure or Box 15 and Box 17 figures respectively.

For GST-registered businesses under other schemes e.g. A3PL and AISS, you may use the below steps as a guide to verify the accuracy of your Box 9 figure, and include checks to ensure that all conditions of the scheme(s) are complied with.

## **1 Review your listing**

### **1.1 For imports with GST suspended (e.g. under MES)**

Perform the following checks on your taxable purchases (imports - GST suspended) listing.

- a. Check that the total amount of your listing tallies with the value declared in Box 9 and is included in Box 5 of your GST return.
- b. Ensure that the dates of your import permit fall within or before the accounting period of the selected GST return. If the date of your import permit did not fall within the accounting period of your GST return, ensure that you did not include the same transaction in your GST returns for other accounting periods.

### **1.2 For imports with GST deferred (under IGDS)**

Perform the following checks on your taxable purchases (imports - GST deferred) listing.

- a. Check that the total amount of your listing tallies with the values reported in Box 15 ("Deferred import GST payable") and Box 17 ("Total value of goods imported under this scheme").
- b. Look at the approval date of your import permit, which is the start date of the validity period as stated on the permit. Ensure that the approval dates of your import permits (including supplementary IGDS permits) fall within the accounting period of your GST return.

- c. For GST deferred on imports that are wholly attributable to your taxable supplies, check that you have included the GST amount in Box 7 (“Input tax and refunds claimed”) and the corresponding import value in Box 5 (“Total value of taxable purchases”) of your GST return. For GST deferred on imports that are partly attributable to your taxable supplies, check that the GST claimed in Box 7 has already been apportioned to claim the portion relating to your taxable supplies.

## 2 Select samples from your listing

- 2.1 Follow the ‘Flowchart on the Selection of Samples’ in Step 3 - Overview. If your taxable purchases (imports - GST suspended) or taxable purchases (imports - GST deferred) listing has more than 30 transactions, you should select:
- at least 30 samples to cover minimum 30% of the total value of taxable purchases (imports - GST suspended) or taxable purchases (imports - GST deferred) in your listing, or a maximum of 60 samples; and
  - At least 1 sample from each of the sub-category below that applies to your business.

Main Category	Samples selected should cover the following sub-categories:
Your own imports	<ul style="list-style-type: none"> <li>i. Different overseas suppliers</li> <li>ii. Different local suppliers</li> <li>iii. Different types of goods purchased</li> <li>iv. Different declaring agents</li> </ul>
Goods which you have imported on behalf of your overseas principals under Section 33(2) or Section 33A of GST Act	<ul style="list-style-type: none"> <li>i. Different major overseas principals</li> <li>ii. Goods that are subsequently sold to local or overseas customers (<i>i.e. where you are acting as Section 33(2) agent</i>)</li> <li>iii. Goods that are re-exported back to the same overseas principal (<i>i.e. where you are acting as Section 33A agent</i>)</li> </ul>


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

Step	For all imports
3.1	<p>Ensure you have these supporting documents for the samples selected in Step 3E.2 which include:</p> <ul style="list-style-type: none"> <li>• Import permits and/or Inward Summary Report from the Air Express Companies (AEC)</li> <li>• Transport documents (e.g. <i>Bill of lading, Air waybill, etc.</i>)</li> <li>• Overseas suppliers' invoices</li> <li>• Local suppliers' invoices (<i>for goods imported from overseas, but title passed before importation</i>)</li> </ul>
3.2	<p>Perform the following checks on your supporting documents and listing.</p> <p>For import permits and transport documents, check that:</p> <ol style="list-style-type: none"> <li>i. Import permit shows your business name as the importer. If not, find out why the permits were taken up by another person for these goods belonging to you. If this is a genuine mistake on the importer's name, please ensure that you are able to support your imports with alternative documents such as invoices and shipping documents (e.g. Bill of Lading etc). Please also ensure that similar error does not occur again.</li> <li>ii. Transport document(s) show your business name as the consignee.</li> <li>iii. Purchase of goods is incurred for your business purposes.</li> <li>iv. Total Amount Excluding GST is recorded correctly in your listing based on the CIF amount on the import permit.</li> </ol>

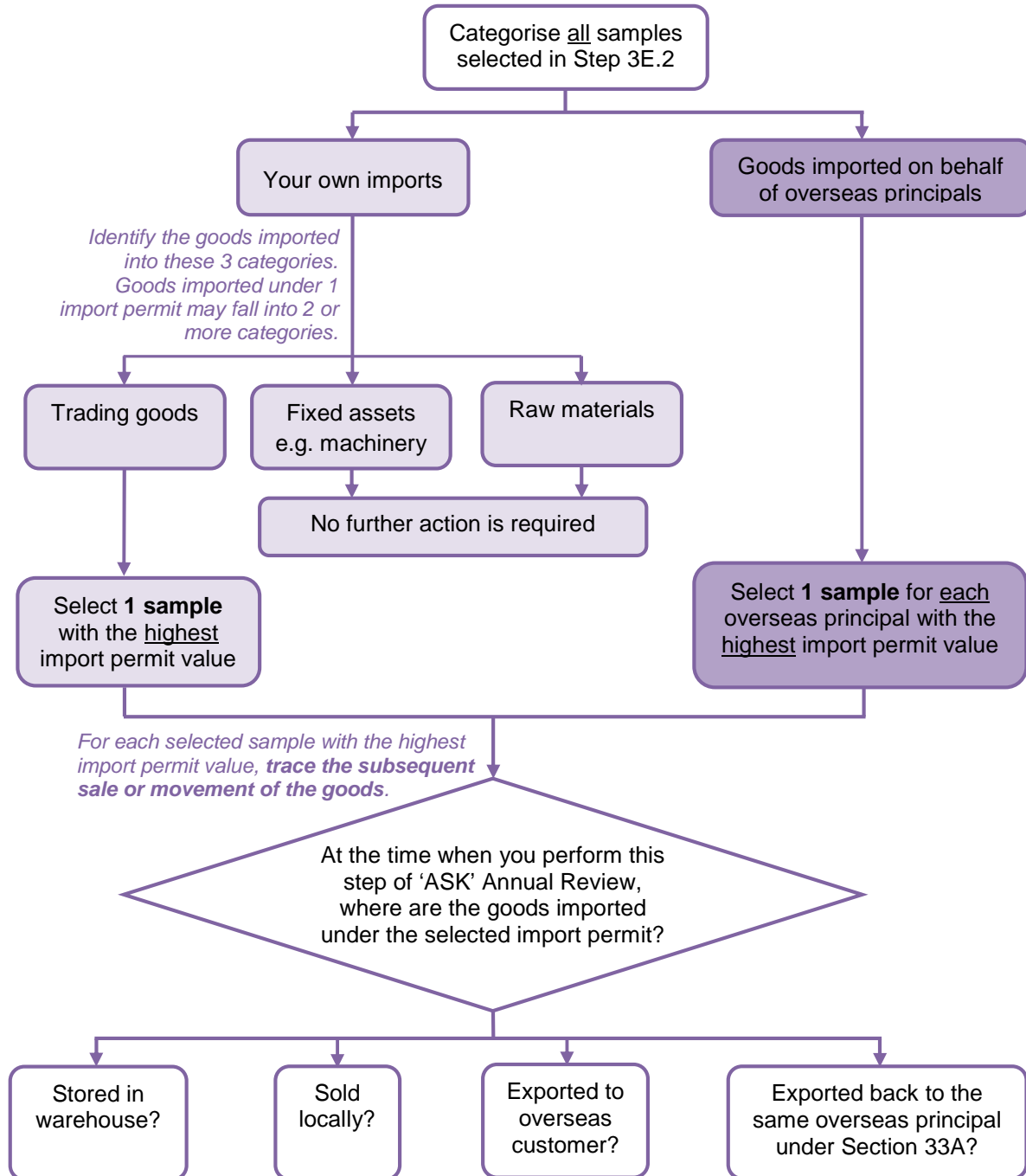
**Step 3: Perform Checks for the Selected GST Return(s)**

Step 3E: Check your Imports with GST Suspended (e.g. under MES) or with GST Deferred (under IGDS)

Step	For your own imports	For goods imported on behalf of overseas principals as Section 33(2) or Section 33A agent, only if the overseas principals are not GST-registered
3.3	<p><u>For overseas suppliers' invoices issued to you, ensure that:</u></p> <ul style="list-style-type: none"> <li>i. Overseas supplier's invoice is addressed to your business name.</li> <li>ii. Details on the overseas supplier's invoice match to the transport document(s) and import permit.</li> </ul> <p><u>For purchases from local suppliers but goods are imported from overseas, ensure that:</u></p> <ul style="list-style-type: none"> <li>i. Title of goods is transferred to you before the goods are imported into Singapore.</li> <li>ii. Local supplier has invoiced you before the goods are imported and cleared under your business name.</li> <li>iii. Details on the local supplier's invoice match to the transport document(s) and import permit.</li> </ul>	<p>Ensure that:</p> <ul style="list-style-type: none"> <li>i. You are able to differentiate import permits taken up for your own goods from those belonging to overseas principals, who must not be GST-registered.</li> <li>ii. You have a system in place to trace the subsequent sales made or movement of the goods imported on behalf of your overseas principals. <ul style="list-style-type: none"> <li>• For goods which you have imported as Section 33(2) agent, ensure that the subsequent sales are reported as your standard-rated supply if sold locally or as zero-rated supply if exported.</li> <li>• For goods which you have imported on behalf of your overseas principal under Section 33A, ensure that they are subsequently exported out of Singapore back to the same overseas principal and the export is reported as zero-rated supply in your GST return.</li> </ul> </li> </ul>
Step	<b>For all imports</b>	
3.4	<p>You need to identify all the imports selected in Step 3E.2 into the following categories and trace the subsequent sale or movement of <u>some</u> of the imports selected. Follow the flowchart below to determine the samples to be selected.</p>	

 Complete the [Pre-Filing Checklist for Goods Imported under Major Exporter Scheme / Approved 3rd Party Logistics Company / Other Approved Schemes](#) or the [Pre-Filing Checklist for Goods Imported under Import GST Deferment Scheme](#) (whichever is applicable), if you have not done so when filing the GST return.

Flowchart for Step 3.4 Process



- ! If you have imported goods that belong to others or are not for your business use, refer to [Pre-Filing Checklist for Goods Imported under Major Exporter Scheme / Approved 3rd Party Logistics Company / Other Approved Schemes](#) or [Pre-Filing Checklist for Goods Imported under Import GST Deferment Scheme](#) (whichever is applicable) and take the necessary actions.

- If you are unable to trace the subsequent sale or movement of the goods, provide explanation as to why you are unable to do so and report the total import value of the affected goods in "[Disclosure of Errors](#)" template (refer to Step 5).

#### **4 Record the results of your checks in Template 7**

Template 7 – Checklist For Taxable Purchases (Imports – GST Suspended or Deferred) contains the above checks that you need to perform to ensure that GST is properly suspended or deferred according to conditions of the scheme. It is also for you to record down results of your checks.

Template 7  
[\(click to  
download\)](#)

## **STEP 4:**

Review your Financial Statements or Management  
Accounts for the Same Financial Year

## STEP 4: Review your Financial Statements or Management Accounts for the Same Financial Year

### Overview

In Step 1, you have already reviewed your GST returns filed for the past financial year. Now in Step 4, you are to review and compare your financial statements<sup>9</sup> against your GST declarations for the same financial year. The checks performed in Step 4 below provide another level of assurance that your GST declarations are complete and accurate. If discrepancies are noted, you need to explain and quantify the errors (if any).

#### 4.1 Compare Sales or Turnover (in financial statements) to annual Total Supplies (in GST returns)

Compare the Sales or Turnover reported in your financial statements to the annual Total Supplies reported in your GST returns, and compute the difference ([refer to Row 97 of Template 1](#)).

When your annual Total Supplies in GST returns are significantly lower than your Sales in the financial statements<sup>10</sup>, this could indicate that you have substantially under-declared the supplies figure in your GST reporting. You should quantify the errors (if any), unless you are able to explain for the difference and be satisfied that they are in order.

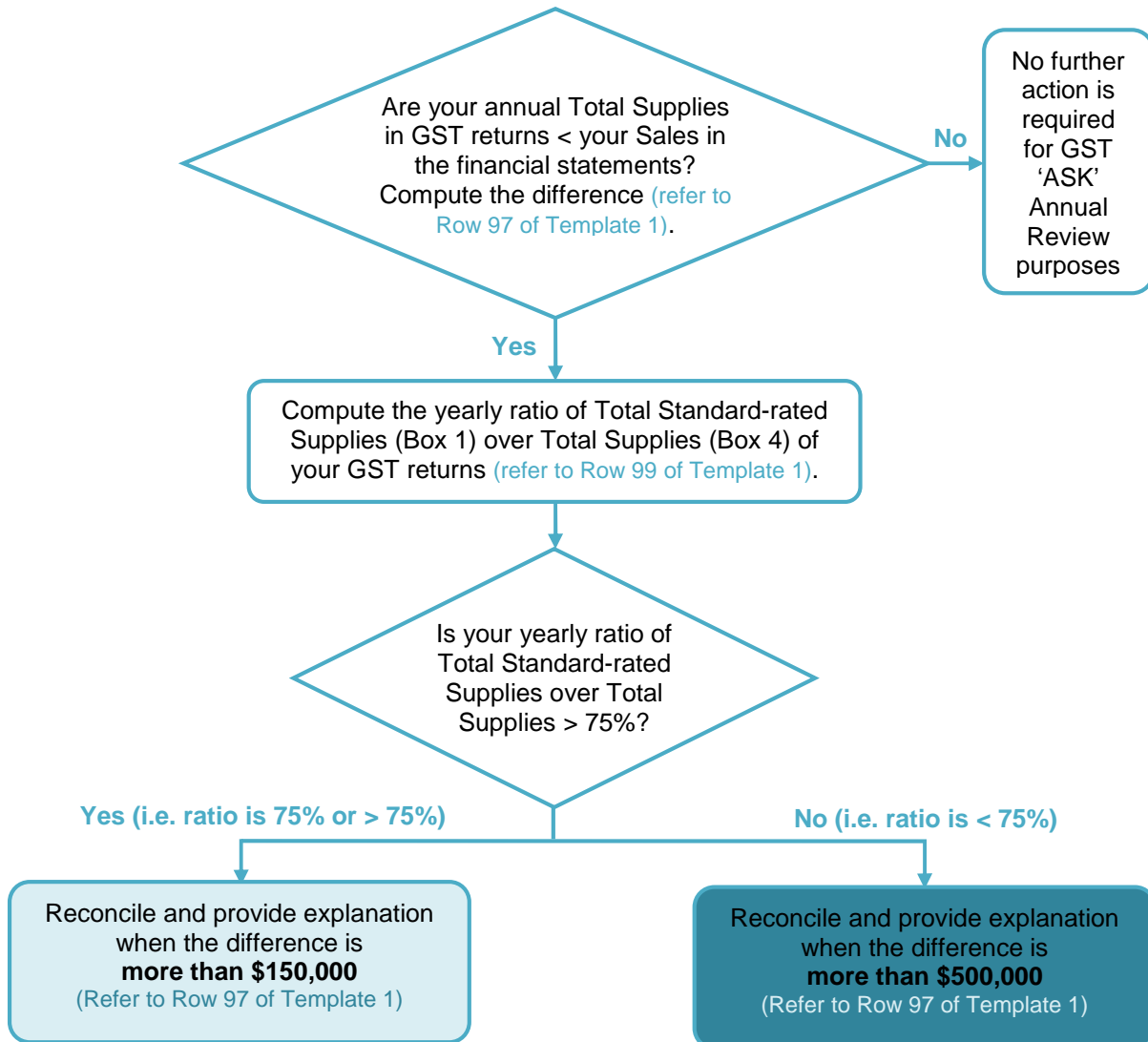
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<sup>9</sup> If your audited financial statements are not ready when you perform this step, you may use your unaudited financial statements or your management accounts.

<sup>10</sup> Sales or Turnover in the financial statements should not deviate much from the annual Total Supplies in GST returns. Some common reasons for the difference are categorized as follows:

- *Out-of-scope supplies which are not required to be reported in GST returns, but are included in the financial statements.*
- *Different basis on when sales are recognised in GST returns and financial statements.*
- *Different basis in the valuation of transactions for GST reporting and accounting.*

Follow the flowchart below to determine when you need to reconcile and explain for the difference between your Sales and annual Total Supplies.



## 4.2 Review for transactions with related parties and non-trade transactions

- a. Review your financial statements (including the supporting schedules and notes to financial statements, etc.) for the following transactions:

Nature of transactions	Examples of such transactions	Examples of what to look for in your financial statements
i. With your related parties (e.g. holding company, subsidiary company, etc.)	<ul style="list-style-type: none"> <li>▪ <i>Sales made to related company</i></li> <li>▪ <i>Interest income from loan to related company</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Amount due from/(to) related companies or related parties</li> <li>▪ Significant related party transactions</li> </ul>
ii. For non-trade purposes	<ul style="list-style-type: none"> <li>▪ <i>Sale or disposal of fixed asset</i></li> <li>▪ <i>Sale or rental of commercial property</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Fixed assets</li> <li>▪ Other income</li> </ul>

- b. Check whether these transactions were reported in your GST returns. **If these transactions were not reported, you have to quantify and account for the omitted transactions.**

## 4.3 Review for outstanding payments not made to your suppliers

- a. Review for purchases which you have not paid the supplier within 12 months from the due date for payment (e.g. based on your supplier ageing report or by matching your supplier's tax invoices against your payment records).
- b. Check whether you had accounted back the GST previously claimed on these purchases in your GST returns. **If no, you have to quantify the amount of input tax to be accounted back.**

- 4.4 Record the results of your checks and your explanation for the discrepancy (if any) in Template 1 (same template used in Step 1).

## **STEP 5:**

Quantify your Errors (if any) and Submit your Findings to IRAS for Review

## STEP 5: Quantify your Errors (if any) and Submit your Findings to IRAS for Review

### If errors are discovered during 'ASK' Annual Review

Submit your findings to IRAS using "[ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors](#)". In addition, you must complete and submit the relevant "[Disclosure of Errors](#)" template(s) in Section 3 of the same form. You can find a list of the common errors in [Appendix 1](#).

You do not need to submit to IRAS the checklists and templates recorded for Steps 1 to 4 but they must be made available to us upon our request.

"ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors" is a form for you to declare the results of your findings and errors discovered (if any) to IRAS after completion of 'ASK' Annual Review.

Declaration &  
Disclosure of  
Errors Form  
[\(click to  
download\)](#)

### If errors are recurring in nature

If your error is recurring in nature, it is likely that you have also made the same mistake in your other GST returns. For the purpose of this Annual Review, we require you to review your past GST returns only when your error discovered in Step 3 is recurring in nature and GST is involved (i.e. it affects your output tax and/or input tax).

You can consolidate and quantify the yearly amount of your recurring error for each of the affected past financial year(s), instead of for each GST accounting period.

### **If you have difficulties reviewing your past GST returns**

If you have difficulties reviewing your past GST returns for the actual error amount, you may use a proxy to compute an estimated error amount for the purpose of this annual review. As this is an estimated error amount, you need to state your basis or method of estimation in the "Disclosure of Errors" template(s) for IRAS' consideration and approval.

### **After submitting Declaration Form and "Disclosure of Errors" templates**

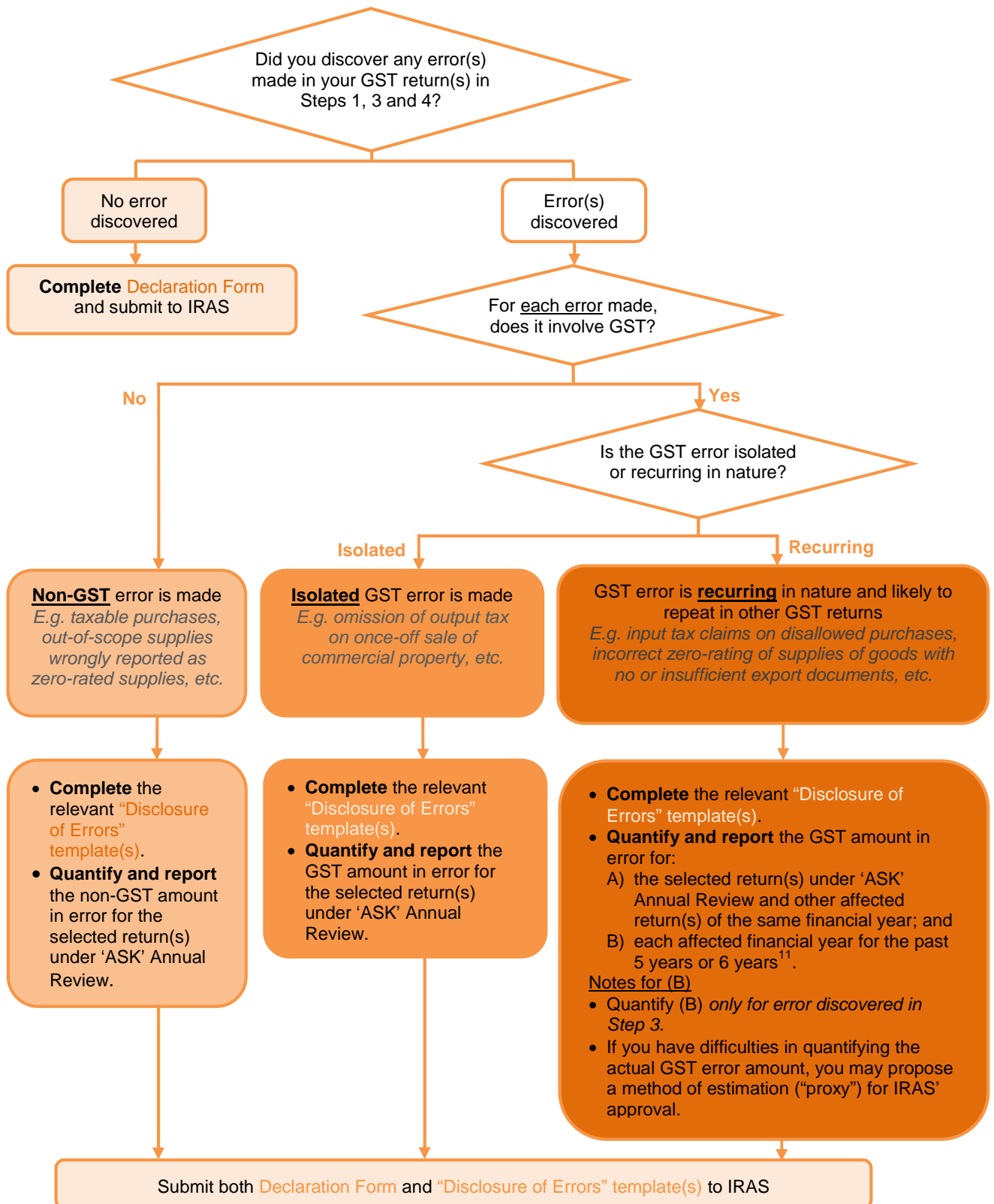
Upon receipt of your Declaration Form and "Disclosure of Errors" template(s) (if applicable), IRAS may contact you for further clarification and request for your supporting documents.

We will also follow up with you on your 'ASK' Annual Review and raise GST assessment(s) for your error(s) or advise you on how to correct the error(s). Hence, please do not correct your error(s) immediately upon the completion of this annual review in GST F7 "Disclosure of Errors on GST Return" for the affected accounting period(s) or your current GST F5 return.

### **If no error is discovered during 'ASK' Annual Review**

You should submit the Declaration Form to demonstrate your commitment to be GST-compliant.

## Flowchart for Step 5 Process



<sup>11</sup> You should determine this by considering the below timeline for correcting mistakes in GST returns:

- Error relating to an accounting period ending *on or after* 1 Jan 2007 is to be corrected within 5 years from the end of that accounting period.
- Error relating to an accounting period ending *before* 1 Jan 2007 is to be corrected within 6 years from the end of that accounting period.

## **APPENDIX 1:**

List of Common Errors  
and Areas where Error may Occur

## APPENDIX 1:

### List of Common Errors and Areas where Error may Occur

#### GENERAL

Over- / Under-reporting of value in GST return *(e.g. due to calculation error, omission of transactions, etc.)*

Incorrect recording of value(s) from source document to listing and/or from listing to GST return *(e.g. due to the use of different exchange rates for tax invoices issued in foreign currency and in the listing)*

Wrong classification of supplies made

#### STANDARD-RATED SUPPLIES AND OUTPUT TAX

Trading sales

Non-trading sales *(e.g. reimbursements / re-billings made for purchases paid on behalf, deemed supplies on goods given away free as gifts, etc.)*

Sale / Disposal of assets *(excluding properties)*

Sale / Rental of commercial property and/or furniture & fittings in furnished residential property

Trade-in transactions *(refer to Pre-Filing Checklist for "Standard-rated Supplies and Output Tax" – Question 12)*

Supplies made to related parties *(e.g. related company, etc.)*

Supplies made as local agent for overseas principal under Section 33(2) of GST Act

Credit note issued to customer / Debit note received from customer for reduction in sales and/or GST

Repayment of GST previously suspended on imports *(e.g. due to misuse or abuse of Major Exporter Scheme status, etc.)*

#### ZERO-RATED SUPPLIES

Supplies previously treated as zero-rated supplies but cannot qualify for zero-rating *(e.g. do not qualify as international services or due to insufficient export documents for goods, etc.)*

Out-of-scope supplies *(e.g. third country shipments, transshipments, etc.)* wrongly included in Box 2 of GST return

### EXEMPT SUPPLIES

Supplies previously treated as exempt supplies but cannot qualify for exemption (*i.e. not relating to financial services and sale / rental of residential properties*)

Incorrect value of exempt supplies reported in GST return (*e.g. wrongly included the value of unrealised gain or loss, etc.*)

### TAXABLE PURCHASES AND INPUT TAX & REFUNDS CLAIMED

Input tax to be disallowed - No supporting source document (*i.e. tax invoice / simplified tax invoice / receipt for local purchases or import permit / subsidiary import certificate for imports*)

Input tax to be disallowed - Tax invoice not addressed to your business name or import permit / subsidiary import certificate did not show your business name as the importer

Input tax to be disallowed - Duplicate input tax claims made

Input tax to be disallowed - Not for business purposes and/or specific expenses disallowed under GST Regulation 26 and 27 (*e.g. medical expenses or insurance premium incurred by staff but not covered under Work Injury Compensation Act, running expenses for private motor cars, etc.*)

Input tax to be disallowed - Incurred directly for exempt supplies made and/or relating to apportionment of input tax

Input tax to be disallowed - Purchases from non GST-registered suppliers and/or non-taxable purchases (*e.g. purchase or lease of residential properties, etc.*) which do not attract GST

Tax invoices in foreign currency - Input tax claim in GST return was not made based on the SGD amounts or the supplier's exchange rate shown on tax invoice

Credit note received from supplier / Debit note issued to supplier for reduction in purchases and/or GST

GST refunds claimed under Tourist Refund Scheme and/or for Bad Debt Relief - conditions not satisfied

For imports with GST deferred under Import GST Deferment Scheme - Over- /Under-reporting of taxable purchases value and input tax claim

### IMPORTS WITH GST SUSPENDED (E.G. UNDER MAJOR EXPORTER SCHEME) OR WITH GST DEFERRED (UNDER IMPORT GST DEFERMENT SCHEME)

Import permit did not show your business name as the importer

Goods imported are not for your business purposes or not for your overseas principal under Section 33(2) or Section 33A of GST Act

Unable to trace the subsequent sales or movement of the goods imported

Failed to account for deferred import GST payable in Box 15 of GST return