

## FREQUENTLY ASKED QUESTIONS (FAQs)

### A. FILING MATTERS

#### A1. **With the implementation of the Streamlined Filing Procedure, what are the documents that need to be filed with IRAS at the point of commencement of liquidation?**

Under the Streamlined Filing Procedure, the documents to be filed with IRAS at the point of commencement of liquidation remain unchanged from the filing procedure prior to 1 Jul 2011. The documents to be filed with IRAS include:

- (a) Written notice to inform IRAS of the commencement of liquidation of company;
- (b) Details of the company's liquidator – Notice of Appointment and Situation of Office of Liquidators;
- (c) All outstanding Income Tax Returns (including the Form C, accounts and tax computation up to the date of liquidation) to IRAS;
- (d) Reply to all outstanding tax queries raised by IRAS.

#### A2. **With the implementation of the Streamlined Filing Procedure, what are the documents that need to be filed with IRAS throughout the liquidation process?**

Under the Streamlined Filing Procedure,

- (a) All companies in liquidation with receipts for each of the years they are in liquidation are required to file the [Declaration of Receipts and Payments \(With Receipts\)](#) with IRAS on a yearly basis.

For example, a company which has receipts and is in liquidation from 06/06/2010 to 15/04/2013 (date of Final Meeting) would need to file the following documents with IRAS:

- i. Two sets of **Account of Receipts and Payments** (half yearly) covering the periods:
  - 06/06/2010 to 05/12/2010 (YA 2011); and
  - 06/12/2010 to 05/06/2011 (YAs 2011 and 2012).
- ii. Two sets of **Declaration of Receipts and Payments (With Receipts)** covering the periods:
  - 06/06/2011<sup>1</sup> to 05/06/2012 (YAs 2012 and 2013) – yearly Declaration to be filed within 1 month from 05/06/2012; and
  - 06/06/2012 to 03/01/2013 (YAs 2013 and 2014) – last Declaration to be filed within 7 days from 03/01/2013<sup>2</sup>.
- iii. Liquidator's Final Accounts for the period

- 06/06/2010 to 15/04/2013<sup>3</sup> – to be filed immediately upon Final Meeting.

<sup>1</sup> When the Streamlined Filing Procedure is implemented on 01/07/2011, half yearly Receipts and Payments will not be accepted by IRAS (with the exception of the situation highlighted in B2 on Page 3 below). Companies in liquidation whose Receipts and Payments are next due for filing on or after 01/07/2011 should follow the yearly filing cycle for cases with receipts or four-yearly filing for cases with no receipts.

<sup>2</sup> As this is the last set of Declaration, it is to be filed anytime within six months before the Final Meeting. In this example, the company has chosen to file the last Declaration up to 03/01/2013 (which is about four months before the Final Meeting) and it has to be filed by 10/01/2013 (i.e. within seven days from the last day of the period covered under the last Declaration).

<sup>3</sup> If the Final Accounts show there are receipts made after the date of the last Declaration of Receipts and Payments, the Comptroller will raise additional assessments accordingly. Alternatively, the liquidator can file an interim [Declaration of Receipts and Payments \(With Receipts\)](#) to declare the receipts made so that assessments can be raised on a timely basis, if applicable.

- (b) All companies in liquidation with no receipts are required to file the [Declaration of Receipts and Payments \(With No Receipts\)](#) with IRAS within six months before the Final Meeting or once every four years, whichever is earlier.

For example, a company which does not have receipts throughout its liquidation period from 23/08/2011 to 23/08/2017 (date of Final Meeting) would need to file the following documents with IRAS:

4<sup>th</sup> year of liquidation:

One set of **Declaration of Receipts and Payments (With No Receipts)** covering the period 23/08/2011 to 22/08/2015.

This is to be filed within one month from the last day of the period covered under the Declaration, i.e., by 22/09/2015.

Within 6 months before the Final Meeting:

Last **Declaration of Receipts and Payments (With No Receipts)** within 6 months before Final Meeting, for example, covering the period 23/08/2015 to 29/04/2017.

As this is the last set of Declaration to be filed before the Final Meeting, it is to be filed by 06/05/2017 (i.e. within seven days from the last day of the period covered under the Declaration).

After the Final Meeting:

File the Liquidator's Final Accounts for the period 23/08/2011 to 23/08/2017 immediately upon the Final Meeting.

**A3. If the liquidation of the company will be completed within six months from the date of commencement of liquidation, what do I have to file with IRAS before the company's dissolution?**

Before the dissolution of the company, liquidators are to furnish IRAS with the liquidator's Final Accounts immediately upon the Final Meeting. The liquidator can also file an interim [Declaration of Receipts and Payments \(With Receipts\)](#) to declare the receipts made before the Final Meeting so that assessments can be raised on a timely basis.

**B. TRANSITIONAL MEASURES**

**B1. Can the liquidator elect the start date of filing cycle for the Receipts and Payments so as to ease tracking efforts?**

Yes. Liquidators are allowed to elect the start date of the yearly or four-yearly filing cycle based on:

- i. date of commencement of liquidation, or
- ii. date of appointment of liquidator [if different from (i)], or
- iii. 1 Jan of the year (if the liquidator prefers to file the Declaration on a calendar year basis).

Liquidators are advised to furnish the reason for the change of declaration period in the Receipts and Payments submission and to furnish future Receipts and Payments based on the elected filing cycle.

**B2. If I have not held my Final Meeting but will be doing so within six months from 01/07/2011 (date of implementation of the Streamlined Filing Procedure), do I have to file the Declaration of Receipts and Payments with IRAS?**

No, you do not need to file the Declaration of Receipts and Payments if you are holding your final meeting within 6 months from 1 Jul 2011. You may continue with the filing procedure prior to 1 Jul 2011 and furnish IRAS with the liquidator's Final Accounts before the dissolution of the company.

As an example, a company in liquidation from 06/01/2010 to 28/11/2011 (date of Final Meeting) would file the following documents with IRAS:

- i. Account of Receipts and Payments for each of the following periods:
  - 06/01/2010 to 05/07/2010 (YA 2011);
  - 06/07/2010 to 05/01/2011 (YAs 2011 and 2012); and
  - 06/01/2011 to 05/07/2011 (YA 2012)<sup>1</sup>.
- ii. Liquidator's Final Accounts for the period
  - 06/01/2010 to 28/11/2011<sup>2</sup> – to be filed immediately upon Final Meeting.

<sup>1</sup> In the transition period, the liquidator may file this set of Receipts and Payments with IRAS as the Final Meeting will be held within 6 months from 01/07/2011.

<sup>2</sup> No Declaration needs to be filed for the period 06/07/2011 to 28/11/2011 as the company will be holding its Final Meeting within six months from 01/07/2011.

**C. OTHERS**

**C1. How are 'receipts' defined for companies in liquidation in determining the filing frequency required?**

Receipts refer to any kind of payment received. So long as the company has receipts during the liquidation period, the company would have to file its Receipts and Payments on a yearly basis over the period where there are receipts.

**C2. Would the liquidator need to file Receipts and Payments on a yearly basis even though the receipts are treated as non-taxable income?**

Yes, the liquidator still needs to file the Receipts and Payments on a yearly basis as long as there are receipts during the relevant year(s). The liquidator can file on a four-yearly basis if there are no receipts thereafter.

**C3. What are the filing requirements if there is a change of liquidator during the liquidation process?**

The liquidator should file the Receipts and Payments up to the date it ceased to be the liquidator. The new liquidator should submit the Notice of Appointment and Situation of Office of Liquidators and take over the filing thereafter.

**C4. How many liquidators need to sign on the Declaration of Receipts and Payments?**

If there is more than one liquidator handling the liquidation matters of the company, one of the liquidators may sign on behalf of the rest of the liquidators. However, all the liquidators will still be responsible for the declaration and information given.

**C5. My client's company is currently under Receivership or Judicial Management, does the Streamlined Filing Procedure apply to his/her company?**

The Streamlined Filing Procedure only applies to companies in liquidation (voluntary or compulsory). Companies under Receivership or Judicial Management must continue to file Form C on a yearly basis.

**C6. Can my client's company apply for tax clearance at the commencement of liquidation of the company and again six months before the Final Meeting?**

No. The purpose of tax clearance is to provide liquidators with the assurance that the company has no outstanding tax matters or liability before it holds the Final Meeting. As such, tax clearance will only be issued once before the Final Meeting.

**C7. How long will IRAS take to issue the tax clearance after the submission of the last set of Declaration of Receipts and Payments?**

Generally, IRAS will take three months from the date of receipt of the last set of the Declaration of Receipts and Payments to issue the tax clearance if there are no outstanding issues.

**C8. Does the Streamlined Filing Procedure apply to my filing with the Accounting and Regulatory Authority of Singapore (ACRA)?**

No, liquidators' obligations to ACRA remain unchanged. The Streamlined Filing Procedure only applies to filing obligations with IRAS.