



INLAND REVENUE
AUTHORITY
OF SINGAPORE

IRAS e-Tax Guide

GST: Guide on Divisional Registration (Fifth Edition)



GST: Guide on Divisional Registration

Published by
Inland Revenue Authority of Singapore

Published on 11 May 2022

First edition on 30 Sep 2013
Second edition on 1 Apr 2016
Third edition on 3 Jun 2020
Fourth edition on 12 Nov 2021

Disclaimers: IRAS shall not be responsible or held accountable in any way for any damage, loss or expense whatsoever, arising directly or indirectly from any inaccuracy or incompleteness in the Contents of this e-Tax Guide, or errors or omissions in the transmission of the Contents. IRAS shall not be responsible or held accountable in any way for any decision made or action taken by you or any third party in reliance upon the Contents in this e-Tax Guide. This information aims to provide a better general understanding of taxpayers' tax obligations and is not intended to comprehensively address all possible tax issues that may arise. While every effort has been made to ensure that this information is consistent with existing law and practice, should there be any changes, IRAS reserves the right to vary its position accordingly.

© Inland Revenue Authority of Singapore

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, including photocopying and recording without the written permission of the copyright holder, application for which should be addressed to the publisher. Such written permission must also be obtained before any part of this publication is stored in a retrieval system of any nature.

Table of Contents

1	Aim	1
2	At a Glance	1
3	Conditions for Divisional Registration	1
4	Effects of Divisional Registration	2
5	Application for Divisional Registration	3
6	Contact Information	4
7	Updates and amendments	5

1 Aim

- 1.1 This e-Tax Guide explains the qualifying conditions and procedures in applying for divisional registration¹. Divisional registration allows GST-registered businesses with independent divisions or separate businesses to file GST returns by divisions or businesses instead of as a single entity. GST registered businesses are encouraged to read this guide before applying for divisional registration.

2 At a Glance

- 2.1 A GST-registered person² that carries on business through independent divisions or separate businesses³ may find it difficult to consolidate the accounts of all its divisions or businesses to file a single GST return periodically (monthly or quarterly filing frequency). Divisional registration eases the GST administration of such a business structure by allowing the submission of GST returns by divisions or businesses.
- 2.2 If you are GST-registered, you can choose to apply for separate registration for all your divisions, or just some of them. On successful application, IRAS will issue each division or business a separate GST registration number and allow each division or business to submit its own GST return.
- 2.3 GST is chargeable only on supplies made by a division or business to persons outside the entity. Supplies made between the divisions or businesses of the same entity are disregarded for GST accounting purposes. Similarly, GST is not chargeable on allocation of expenses to the various divisions.
- 2.4 Divisional registration does not alter the GST-registered person's GST liability. The parent body is still legally liable for the divisions.

3 Conditions for Divisional Registration

- 3.1 You must satisfy all the following conditions to be eligible for divisional registration:
- (a) You must already be registered for GST.
 - (b) You have difficulties submitting a single return for all your businesses or divisions.
 - (c) Each division or business maintains an independent accounting system.

¹ This e-Tax guide replaces the IRAS's e-Tax guide on "GST: Guide on GST Divisional Registration" published on 1 Feb 2009.

² He can be a corporate body, sole-proprietor, partnership or others.

³ For example: (i) a sole-proprietor owns a few sole-proprietorship businesses of different business activities; (ii) a corporate body has a few independent divisions running businesses in different locations.

- The books of accounts and business records of each division or business are kept separate from those of the other divisions or businesses; and
 - You are already preparing accounts on a division basis before consolidating the accounts.
- (d) Each division or business is separately identifiable by reference to the nature of the activities carried on or by reference to the location.
- A division or business should be carrying on different activities or operating in different locations. It need not be selling different goods or providing different services.
- 3.2 In addition, if you are making both taxable and exempt supplies, divisional registration can only be granted if you are able to claim all your input tax including input tax attributable to the making of exempt supplies⁴. In other words, you either:
- (a) Satisfy the De Minimis Rule under regulation 28;
 - (b) Make only regulation 33 exempt supplies and you are not a regulation 34 business; or
 - (c) Make non-regulation 33 exempt supplies but you satisfy the test in regulation 35, and you are not be a regulation 34 business.
- 3.3 IRAS may impose additional conditions or requirements before approving an application.

4 Effects of Divisional Registration

4.1 GST registration number

Each separately registered division or business will have its own GST registration number. This will be different from the registration number given earlier to the GST-registered person before divisional registration. Each division or business has to quote its own GST registration number and name on its tax invoices, files its own GST return within the statutory time limit and keeps proper accounting records of the GST transactions declared.

4.2 Liability of the business

Divisional registration is an administrative facility and does not alter the liability or entity that is liable for GST. You (including all your divisions), as a taxable

⁴ Refer to e-Tax Guide “Partial Exemption and Input Tax Recovery” for more information on regulations 28, 33, 34 and 35.

person, remain legally responsible for any tax or penalty due under the GST Act. The separately registered divisions do not become separate taxable persons due to divisional registration. Therefore, IRAS may withhold any repayments to a separately registered division and may use them to satisfy another division's outstanding tax or penalty.

4.3 Intra-division Supplies

GST is not chargeable on supplies made between divisions of the same entity. GST is chargeable only on supplies made by a division or business to persons outside the entity.

4.4 GST Schemes

4.5 To qualify for GST schemes such as Major Exporter Scheme (MES) or Import GST Deferment Scheme (IGDS), you (including all your divisions) must meet all the qualifying conditions for the scheme. A division cannot qualify for GST schemes by itself.

5 Application for Divisional Registration

5.1 You can apply for divisional registration by submitting GST F11 "Application for Divisional Registration" form. You must quote your GST registration number/Unique Entity Number ('UEN') when applying for separate registration for any of your divisions or businesses. You must also explain the difficulties faced in submitting a consolidated GST return for all its divisions or businesses within the due date for GST submission if divisional registration is not approved.

5.2 You can only apply for divisional registration if you are GST registered. If you are not GST registered, you will have to apply for GST registration and divisional registration at the same time by submitting the following forms:

(a) GST F1 "Application for GST Registration"; and

(b) GST F11 "Application for Divisional Registration".

5.3 You can add or remove division(s) from the existing divisional registration or cancel your divisional registration using the GST F12 "Application for Inclusion/ Removal of Division to/ from existing Divisional Registration/ Deregistration of Divisional Registration" form.

5.4 You can download these forms from our website at <https://www.iras.gov.sg>.

5.5 Once divisional registration is approved, your division or business shall remain separately registered for a period of not less than two years or such other shorter period as IRAS may determine.

- 5.6 If you no longer satisfy any of the conditions for divisional registration, you must inform IRAS immediately.
- 5.7 IRAS may by notice in writing cancel the divisional registration if you no longer satisfy any of the qualifying conditions or where IRAS determines it is necessary for the protection of revenue. The effective date of the cancellation of divisional registration will be the date of cancellation or a later date agreed between IRAS and you.
- 5.8 A GST-registered person cannot enjoy both group and divisional registration as both forms of registration are meant for different purposes. Group registration⁵ allows submission of one periodic GST return for all the members of the group while divisional registration allows each division or business to submit one periodic return.

6 Contact Information

- 6.1 For enquiries on this e-Tax Guide, please contact the Goods and Services Tax Division at <https://www.iras.gov.sg> (select “Contact Us”)

⁵ Refer to e-Tax Guide “GST: General Guide on Group Registration” for more information.

7 Updates and amendments

	Date of amendment	Amendments made
1	1 Apr 2016	i) Amended paragraph 2.1 on filing frequency
2	3 Jun 2020	i) Amended paragraph 3.2 on qualifying conditions
3	12 Nov 2021	Various editorial changes
4	11 May 2022	i) Amended paragraph 5.5 on the requirement to notify IRAS when taxpayer no longer qualifies for divisional registration