

Self-employed? Avoid These Common Filing Mistakes



INLAND REVENUE
AUTHORITY
OF SINGAPORE



1. DECLARATION OF ESTIMATED INCOME/ EXPENSES



"I declare an estimated amount of trade income and expenses as I do not keep proper records of my daily earnings/ commission/ expenses."



Self-employed persons are required to keep proper records and accounts of their business transactions. The records and accounts must be supported with invoices, receipts, vouchers and other supporting documents. Estimates and improper records are not acceptable.



2. DECLARATION OF TRADE INCOME



"I am a commission agent/ hawker/ private tutor/ freelancer/ live streamer. I declare my income as Employment or Other Income in Form B/B1."



As a self-employed person, you should declare your income as trade income under the item "Trade, Business, Profession or Vocation".



3. DECLARATION OF REVENUE ONLY



"I suffered a loss in my business, therefore I left the "Adjusted Profit" as "0" and entered only the "Revenue" amount at the 4-line statement."



You should complete all items of the 4-line statement and indicate the actual loss incurred instead of "0" under the item "Adjusted Profit". The actual loss can be used to offset income from other sources for the Year of Assessment (YA) or income of future YA to reduce your taxable income, where qualifying conditions are met.

4. DECLARATION OF INCOME BY PROPERTY/ INSURANCE AGENTS



"I am a commission agent. My agency participates in the e-Submission of Commission. I therefore do not need to file Form B to declare my income as my agency will submit it for me."



You are still required to file Form B. If your agency is participating in the e-Submission of Commission, you have to verify the pre-filled commission income and submit your Form B. You can also claim business expenses under the 2-line or 4-line statement under "Trade, Business, Profession or Vocation". Alternatively, if your commission income is not more than \$50,000, you can claim 25% of your gross commission income as deemed expenses.



5. CLAIM FOR PRIVATE HIRE CAR AND TAXI DRIVING EXPENSES



"I was both a private hire car driver and taxi driver in 2021. I claimed 60% deemed expenses against private hire car driving income and actual business expenses against taxi driving income."



As both a private hire car driver and taxi driver, you can claim either actual business expenses incurred or deemed expenses against your income derived from both driving the private hire car and taxi in the same year.

6. CLAIM FOR SELF-EMPLOYED CPF RELIEF



"I contributed to my CPF as a self-employed person last year. I should therefore indicate the amount contributed in Form B so as to qualify for CPF relief."



CPF relief for self-employed persons is automatically allowed based on information received from CPF Board. You need not enter your claim in Form B.