

## AN INVITATION TO PAY YOUR INCOME TAX BY GIRO

1. We would like to invite you to pay your Income Tax by GIRO. Income Tax is payable within one month from the date of notice. Sign up for GIRO now to enjoy these benefits:
  - a. You can pay your income tax over a maximum of 12 interest-free monthly instalments. The instalment plan is based on the tax payable and a minimum monthly deduction amount of \$20. Setting a minimum amount for each monthly instalment is necessary to improve our efficiency and manage the cost of collection.
  - b. You avoid the cost and inconvenience associated with payment by cash and cheque.
  - c. Any refund of Income Tax will be credited directly to the same GIRO bank account if the account belongs to you, which is faster compared to refund by cheque. If you are using another party's bank account for GIRO payments, refunds will be made to you through cheques.
  - d. It is secured. An authorisation by the bank account owner is required before any bank account can be used for payment of taxes.
2. The 12 monthly GIRO instalment cycle starts in May and ends in April of the following year. However when you first join GIRO, if the date you join is after May, the instalment deduction will commence once it is approved and end in April of the following year.
3. Once you are on our GIRO scheme, instalment payments for your future year's taxes will continue in May each year to April of the following year. If your tax for the current year is not finalised by May, the amount deducted will be based on the same instalment amount as per your previous year's tax. No instalment plan will be sent to you. An adjustment will be made to the instalment amount when your assessment for that year is finalised. An instalment plan will be sent to you then.
4. No deduction will be made from your account from May onwards if you are not taxable for the previous year of assessment. However, when your assessment is finalised and tax is payable, an instalment plan will be sent to you.
5. The deduction will be made on the 6<sup>th</sup> of the month. If the deduction is unsuccessful, we will attempt to deduct the amount again on the 20<sup>th</sup> of the same month. If both deductions are unsuccessful, the outstanding amount will be deducted in the following month together with the following month's instalment. Your GIRO arrangement will be cancelled if the deduction is unsuccessful for 2 consecutive months. The deduction will be reflected with a transaction code "ITX" in your bank statement or passbook.
6. You have to ensure that there are sufficient funds in your bank account before the deduction date. No reminders will be sent to you for unsuccessful deductions. Some banks may impose a service charge for unsuccessful deductions.
7. Both the Comptroller of Income Tax and you have the right to terminate the GIRO arrangement any time.
8. To join GIRO, please complete the GIRO application form and send it back to IRAS at **Inland Revenue Authority of Singapore, 55 Newton Road, Revenue House, Singapore 307987**. No postage stamp is required as the cost will be borne by IRAS. Alternatively if you have an Internet banking account with DBS/POSB, OCBC or UOB, you may sign up online by accessing the respective bank's Internet banking website.
9. Your GIRO application will be processed within 14 days.

The information is intended for better general understanding and is not intended to comprehensively address all possible issues that may arise. While every effort has been made to ensure that the information is consistent with existing policies and practice, should there be any changes, IRAS reserves the right to vary our position accordingly.

10. If you have an existing GIRO arrangement with IRAS and wish to change your bank account, you will need to complete a new GIRO application online or via the paper form.

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