



INLAND REVENUE
AUTHORITY
OF SINGAPORE

IRAS e-Tax Guide

GST: For Retailers participating in
Tourist Refund Scheme
(Refund claims made on or after 4 Apr 2019)



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1 Aim

- 1.1 This e-Tax guide provides details on the features and refund mechanism of the Electronic Tourist Refund Scheme (“eTRS”). This includes the conditions that retailers participating in the eTRS must comply with.
- 1.2 You should read this guide if you are participating or intend to participate in the eTRS either by engaging the services of a Central Refund Agency (“CRA”) or operating on your own as an Independent Retailer (“IR”).

2 At a glance

- 2.1 Tourists may obtain a refund of GST on goods purchased from GST-registered retailers who participate in the eTRS.
- 2.2 The refund is allowed only on goods brought out of Singapore via Changi International Airport or Seletar Airport (collectively known as “airports”), within 2 months from the date of purchase and subject to the tourists’ eligibility and conditions of the Tourist Refund Scheme (“TRS”).
- 2.3 The eTRS is a voluntary scheme. Retailers who wish to participate in the eTRS can either engage the services of a CRA or operate the eTRS on their own as IRs. For information on the participation conditions under eTRS, retailers can refer to the e-Tax guide, “GST: The Electronic Tourist Refund Scheme (eTRS)”, on IRAS website (<http://www.iras.gov.sg>).

3 Glossary

3.1 Electronic Tourist Refund Scheme

3.1.1 The eTRS allows your eligible customers (see paragraph 4.1) to receive a refund of GST paid on goods that are purchased and brought out of Singapore by them via the airports.

3.2 Central Refund Agency

3.2.1 A Central Refund Agency (referred to as “CRA” in this guide) provides GST refund services to tourists on behalf of a retailer. Retailers who wish to participate in the eTRS but do not wish to operate the eTRS on their own, can get themselves affiliated with a CRA. Presently, there are 3 CRAs. For more information on the application procedures, please contact them or visit their website:

(a) Global Blue Singapore Pte Ltd (“GB”)

Address: 6 Shenton Way
#11-08 OUE Downtown 2
Singapore 068809
Tel: +65 6225 6238
Fax: +65 6225 5773
Website: www.globalblue.com
Email: taxfree@globalblue.com

(b) Global Tax Free Pte Ltd (“GTF”)

Address: 541 Orchard Road
#17-01 Liat Towers
Singapore 238881
Tel: +65 6221 7058
Fax: +65 6221 7379
Website: www.global-taxfree.com.sg
Email: gtfsg@global-taxfree.com

(c) Tourego Pte Ltd (“Tourego”)

Address: 133 Cecil Street
#10-01
Singapore 069535
Tel: +65 6909 2409
Website: www.tourego.com
Email: hello@tourego.com.sg

3.3 Electronic Tourist Refund transaction

- 3.3.1 If you are participating in the eTRS, you must issue the eTRS transaction for the tourist. The eTRS transaction contains the tourist and purchase details for subsequent retrieval at the self-help kiosk.
- 3.3.2 You must not issue any other physical forms for eTRS (e.g. own paper refund form, TRS refund cheque) under any circumstances.

Information required for the eTRS transaction

3.3.3 Details that must be captured for issuing an eTRS transaction

- (a) Receipt number (Equal to or more than 3 digits and the same receipt number cannot be entered for multiple eTRS transactions within a period of 7 days)
- (b) Receipt issuing date & time
- (c) Receipt gross amount
- (d) Purchase Items - Goods category
- (e) Tourist passport number (To be captured digitally)
- (f) Tourist nationality (To be captured digitally)

Retailers can refer to the technical specification indicated in Appendix 2 of the e-Tax guide, "GST: The Electronic Tourist Refund Scheme (eTRS) (Refund claims made on or after 4 Apr 2019)", for more details.

4 Eligibility criteria as a tourist

4.1 A visitor to Singapore may obtain a refund of GST under the eTRS on goods purchased by him if he meets the following criteria as a tourist:

- 1) He is 16 years of age or above on the date of the purchase;
- 2) He is not a citizen or a permanent resident of Singapore;
- 3) He is not a member of the crew of an aircraft on which he is departing Singapore; and
- 4) He is not a Specified Person -
 - i. on the date of the purchase;
 - ii. at any time within the period of 3 months immediately before the date of purchase; or
 - iii. on the date he submits his claim for a refund of the GST charged on his purchases at the airport;

Specified Person refers to

- A. an individual who has in force –
 - (i) any work pass issued by the Ministry of Manpower (i.e. Work Permit, Training Work Permit, S Pass, Employment Pass, Training Employment Pass, Personalised Employment Pass, EntrePass, Work Holiday Pass, Miscellaneous Work Pass and Letter of Consent);
 - (ii) a Dependent's Pass;
 - (iii) a Long Term Visit Pass or Long Term Visit Pass Plus; or
 - (iv) a Student's Pass; or
- B. any of the following individual who has in force an Identification Card issued by the Ministry of Foreign Affairs Singapore and who is -
 - (i) a diplomat, consular officer, an administration, technical or service staff or other staff appointed to or employed in any foreign Embassy, High Commission or Consulate in Singapore;
 - (ii) a staff appointed to or employed in an International Organisation, Representative Office or Trade Office in Singapore; or
 - (iii) a spouse or dependent child of any individual mentioned in B(i) and B(ii) above.

5 Qualifying conditions for retailers

- 5.1 To participate in the eTRS as an IR, you must comply with all the conditions set out in the e-Tax guide, “GST: The Electronic Tourist Refund Scheme (eTRS)”. Some of the conditions are as follows:
- (a) Be GST-registered;
 - (b) Has good tax compliance and payment records;
 - (c) Has good internal controls and have proper accounting and record keeping; and
 - (d) You must make a refund to the tourist (including through an approved central refund counter (“CRC”) operator) within 3 months after the date the application of the tourist for the refund is approved.

6 Qualifying conditions for customers

- 6.1 Your customer (who meets the eligibility conditions as a tourist in paragraph 4.1 above) may qualify for tourist refund if the following conditions are satisfied:
- (a) Purchase the goods, request you to capture his information and issue an eTRS transaction for tourist refund;
 - (b) Spend at least SGD100 (including GST). He may accumulate up to 3 same-day invoices/receipts from retailers bearing the same GST registration number and shop name to meet this minimum purchase amount;
 - (c) Present original passport in person to you to capture the passport information digitally at the time of purchase. Photocopies and images of the passport are not acceptable;
 - (d) Apply for his GST refund at the eTRS self-help kiosk at the airports;
 - (e) Depart with the goods **within 2 months** from the date of purchase either via:
 - a. Changi International Airport or
 - b. Seletar Airport;
 - (f) Depart with the goods **within 12 hours** after obtaining approval of his GST refund; and
 - (g) Claim the refund from the approved central refund counter operator **within 2 months** from the date of approval of the application.

7 Eligibility of goods and services for the GST refund

7.1 Goods

7.1.1 All standard-rated goods except for:

- (a) goods wholly or partly consumed in Singapore;
- (b) goods exported for business or commercial purpose¹;
- (c) goods that will be exported by freight; and
- (d) accommodation in a hotel, hostel, boarding house or similar establishments.

7.2 Services

7.2.1 The eTRS is strictly for the sale of goods only. It cannot be used for services supplied to customers even if these customers meet all the criteria set out in paragraph 4.1.

8 Procedures for making a sale and applying for a refund under the eTRS

8.1 Procedures for you at the point of sale

8.1.1 You must issue an invoice or receipt with GST at the prevailing tax rate to your customer. When a customer requests for an eTRS transaction to be issued under the eTRS, you must:

- a) Inform the customer requesting for a GST refund on his purchase of the tourist refund conditions and check with the person if he meets the conditions;
- b) Sight the passport provided² to ascertain that it belongs to the person requesting for the refund and check that a valid social visit stamp is present on his passport;
- c) Capture the person's passport number, nationality and purchase details electronically. This is essential for an eTRS transaction to be issued by the CCH;

¹ You may zero-rate (i.e. GST at 0%) the supply of goods that would be exported for business or commercial purposes. For such goods that are hand-carried out of Singapore, you are required to maintain the necessary supporting documents. For more information, please refer to "GST: Guide on Exports" that is available on <http://www.iras.gov.sg>.

² A photocopy or an image of the passport is not acceptable.

- d) Advise the tourist to keep the invoice or receipt as he may be required to produce this document together with his goods for Customs' inspection at the airport;
- e) Indicate (e.g. stamp) on his invoice or receipt that an eTRS transaction has been issued; and
- f) Inform the tourist that he may sign up for an eTRS eService account³ to verify that his eTRS transactions have been successfully issued⁴, and to check on the status of his non-cash refunds following the approval at the airport.

8.1.2 The eTRS transaction must be issued on the same day of the sale of goods to the tourist. As an administrative concession, the Comptroller allows you to issue the eTRS transaction for past sales if you have proper controls in place to prevent abuse of the eTRS. This includes having a system, which would allow you to check:

- (a) that the goods were purchased by the same individual who is requesting for an eTRS transaction to be issued;
- (b) that receipt or invoice produced is genuine and issued by your shop;
- (c) whether an eTRS transaction had been issued for the receipt or invoice that is being presented and
- (d) for goods returned, whether an eTRS transaction has been previously issued. If an eTRS transaction has been issued, you will need to check and ensure that no refund has been made and to invalidate the earlier eTRS transaction issued.

8.1.3 After issuing the eTRS transaction, you should indicate on the receipt or invoice that the eTRS transaction has been issued. For example, by stamping "eTRS transaction issued".

8.1.4 Some retailers are required to comply with additional procedures and control measures including the requirement to issue eTRS transaction only at the time of sale, and to indicate prominently on each sale invoice/receipt whether or not this has been done. They could also be required to install a CCTV surveillance system in their retail premises to record the process of the issuance of eTRS transactions. Retailers who are required to comply with procedures and control measures will be informed by their CRA of these additional procedures and conditions that are applicable to them.

8.2 Procedures for the tourist when departing from Singapore at the airport

8.2.1 At the self-help kiosk, the tourist will be asked to:

³ Tourist can register for the eTRS eService account via the website <https://touristrefund.sg/> or via the "eTRS" application downloadable from Google Play or Apple App Store.

⁴ Tourists may view eTRS transactions in their eTRS eService account within 10 minutes of the retailers issuing the eTRS transactions.

- (a) Scan his passport to retrieve the necessary tourist and transaction details.
- (b) Declare his eligibility and acceptance of the conditions under the eTRS.
- (c) Verify and select the purchases⁵ which he is entitled to claim a refund on.
- (d) Select his refund options. For departure via Changi International Airport, the refund will be made to him by either credit card, Alipay or cash. For departure via Seletar Airport, the refund will be made to him by either credit card, Alipay or bank cheque.
- (e) Check the status of his refund request (i.e. Approved or Not Approved) as shown on the kiosk screen.
 - If the refund status is “Approved”,
 - For refund via cash (available at Changi International Airport only), the tourist can proceed to the GST Cash Refund Counter in the Departure Transit area (after immigration clearance) with his passport.
 - For credit card refund, the refund will be paid to his specified credit card within 10 days.
 - For Alipay refund, the refund will be paid immediately into his Alipay account.
 - For bank cheque refund (available at Seletar Airport only), he has to complete his particulars such as payee name and mailing address on the slip printed out from the kiosk. Once the slip is dropped into the designated cheque refund box provided, the bank cheque will be mailed to him 14 days from the date of deposit of the slip.
 - If the refund status is “Not Approved”, the tourist is required to present his purchases, together with the original invoices/receipts, and his boarding pass/ confirmed air ticket at Customs Inspection counter (at Changi International Airport) or ICA counter (at Seletar Airport) for approval.

8.3 Procedures for you to claim a refund from the Comptroller

- 8.3.1 If you are affiliated with GB, GTF or Tourego, you should not claim any eTRS refund from IRAS as you are not the one making the refund to tourists. Instead, your CRA will claim the refund from IRAS after paying CRC the refund made to tourists. You should therefore not include any

⁵ eTRS tickets are not issued for purchases made on or after 4 Apr 2019. Any purchases made from 4 Feb 2019 to 3 Apr 2019 (start and end dates inclusive) with eTRS Tickets issued will also be automatically retrieved when a tourist scans his passport at the kiosk. A tourist should contact the respective retailer(s) in the event such purchases are not retrieved at the kiosk.

eTRS claim in Box 7 “Input tax and refunds claimed” or make any declaration in Box 10 “Total value of tourist refund claimed” of the GST F5 return.

8.3.2 If you are not affiliated with any CRA and is operating the eTRS on your own as an IR approved by IRAS, you can claim the amount refunded to the tourist from the Comptroller. To claim a refund, you must:

- (a) have accounted for output tax at the prevailing tax rate (see paragraph 10);
- (b) have refunded the GST to the tourist (including through an approved CRC operator) within 3 months after the date the application of the tourist for the refund is approved; and.
- (c) maintain documents and records to show that the above conditions have been satisfied (see paragraph 12).

8.3.3 If you have satisfied the conditions above for claiming a refund under the eTRS and any other conditions imposed by the Comptroller in respect to the operation of the eTRS, you may proceed to claim the refund by entering the amount in Box 7 “Input tax and refunds claimed” and Box 10 “Total value of tourist refund claimed” of the GST F5 return.

9 Accounting for sales made under eTRS

9.1 You must charge GST at the prevailing GST rate on all sales made under the eTRS.

9.2 Even if you choose to absorb the GST on the sale, you must still account for output tax using the tax fraction (7/107) in your GST return for the prescribed accounting period in which the sale takes place.

9.3 You must report the value of sale in Box 1 “Total value of standard-rated supplies” and the corresponding GST collected in Box 6 “Output tax due”.

10 Administrative expenses charged to the customer

10.1 As you (in the case where you are operating the eTRS on your own as an approved IR) or the CRA would be deducting an amount from the refund due to cover administrative or handling expenses, you should explain this charge clearly to the tourist at the point of sale to avoid subsequent confusion or complaints.

10.2 The administrative fee is a consideration for a supply of service to the tourist. Generally, a supply of service can be zero-rated (i.e. GST at 0%) if it qualifies as an international service. You (as an approved eTRS IR) or the

CRA can charge GST at 0% as it is a service that is supplied directly in connection with goods for export outside Singapore and supplied to a person who belongs in a country other than Singapore, at the time the services are performed⁶.

11 Types of documents and records to maintain

11.1 If you are operating the eTRS as an IR, it is important to maintain the following documents for at least 5 years to prove to the Comptroller that you have satisfied all the conditions:

- (a) Separate account to record sales and refunds made under the eTRS;
- (b) Copies of invoice and receipt issued for the goods sold;
- (c) Reports issued by the Central Clearing House (“CCH”); and
- (d) Evidence or CRC report on the payment made to the tourist.

11.2 If you are affiliated with GB, GTF or Tourego, you are required to maintain records of eTRS transactions or reports issued (either in hard or soft copy) as part and parcel of the accounting and business records to be maintained under section 46 of the GST Act.

12 Important areas to take note of when making a sale under the eTRS

12.1 You must display a notice prominently at your retail outlet to indicate that a tourist must present his passport⁷ in person before an eTRS transaction can be issued.

12.2 You must show the descriptions of the goods purchased under the eTRS on the invoice or receipt. For example, where the goods sold by Chinese medicinal retailers are ground into powder form, the retailer should indicate it as such on the invoice/receipt accordingly.

12.3 You must verify the eligibility of the tourist in person, at the time of issuing the eTRS transaction. Verifying the tourist’s eligibility for a refund under the eTRS via phone or online system is not acceptable.

12.4 The eTRS is only applicable to an eligible tourist who visits Singapore and is the purchaser of the goods. If your customer informs you that he is buying the goods on behalf of another person in his home country and requests the invoice or receipt to be issued in the name of the other person, you should not issue any eTRS transaction in this instance.

12.5 If your customer who does not meet the eligibility conditions⁸ of a tourist informs you that he is buying the goods as a gift for his friend who is a tourist

⁶ This is provided for under section 21(3)(g) of the GST Act.

⁷ A photocopy or an image of the passport is not acceptable.

⁸ Refer to paragraph 4.1 for the eligibility conditions.

and requests the eTRS transaction to be issued in the name of the friend, you should also not issue any eTRS transaction in such instance.

13 Procedures for return of goods by the tourist

13.1 PARTIAL goods returned to you BEFORE the tourist submit a refund claim

13.1.1 You must:

- (a) Check and confirm with the relevant CRA that no approval has been granted on the eTRS transaction previously issued.
- (b) Void the eTRS transaction previously issued to the tourist.
- (c) Re-issue a new eTRS transaction for the remaining purchased item.
- (d) Refund the value of goods returned (including the GST amount) to the tourist.
- (e) Indicate on the invoice or receipt that an eTRS transaction is issued.

13.2 ALL goods returned to you BEFORE the tourist submit a refund claim

13.2.1 You must:

- (a) Check and confirm with the relevant CRA that no approval has been granted on the eTRS transaction previously issued.
- (b) Void the eTRS transaction previously issued to the tourist.
- (c) Refund the total value of goods returned (including the GST amount) to the tourist.

13.3 ALL goods returned to you AFTER the tourist has made a refund claim

13.3.1 You must:

- (a) Check and confirm (with CRA where necessary) that the tourist has claimed his GST.
- (b) Refund only the value of goods returned (excluding the GST amount) to the tourist since GST refund was already made to the tourist earlier.

14 Retailer Contingency Plan

- 14.1 A retailer is unable to issue eTRS transactions to tourists due to:
- (a) Faulty issuing solution/printer;
 - (b) Power failure/lease line connection issue at premise;
 - (c) CRA's system is down; or
 - (d) Other technical failures.
- 14.2 In the event of retailer contingency (as per events stated), the retailer will need to follow the respective CRA's or IR's contingency process.
- 14.3 You should only use the retailer contingency process in the situations indicated in the above paragraph 14.1. You should also adhere strictly to the applicable procedure to minimise any operational impact and inconvenience to the tourists.

15 Controls that can be implemented to prevent misuse of the eTRS

- 15.1 You should put in place some form of controls to ensure the eTRS is not misused. Some suggested controls are as follows:
- (a) Maintain a record of staff who issue eTRS transactions;
 - (b) Maintain a record of the eTRS transactions issued and perform a monthly reconciliation against reports issued by CRA, CCH or CRC, where applicable;
 - (c) Staff to get store manager's approval before issuing an eTRS transaction involving a high value amount; and
 - (d) eTRS contingency booklet (if any) should be kept by the store manager.

16 Penalties for participating retailers who fail to comply

- 16.1 If you choose to participate in the eTRS, you must comply with the conditions laid out in the GST (General) Regulations, this e-Tax guide and those made known to you through your CRA. Failure to do so may result in the termination of your affiliation and participation in eTRS. IRAS may also disallow retailers to participate in the eTRS if the retailers are managed by individuals who were involved in operating other business found with serious lapses in the operation of the eTRS or serious non-compliance with the eTRS rules.
- 16.2 The TRS is available only to bona fide tourists for the claiming of GST refunds on goods they have purchased and brought out of Singapore. It is an offence for a person to obtain GST refunds if the person does not meet the TRS qualifying criteria and conditions. It is also an offence for an individual to assist another person in obtaining fraudulent eTRS refunds,

such as by selling one's receipt or invoice to support the claim. IRAS will not hesitate to take firm action against retailers who are complicit or negligent in the issuing of eTRS transactions leading to the abuse of the TRS.

- 16.3 Please also note that failure to comply with the regulations will lead to your refund claims being denied (if you are acting as an IR operating the eTRS) and certain penalties being imposed.
- 16.4 If you are guilty of an offence made under the eTRS, you shall be liable on conviction to a fine not exceeding \$5,000 and an imprisonment term not exceeding 6 months in default of payment.

17 Contact information

17.1 Tourists can obtain more information by referring to:

- (a) IRAS' website at www.iras.gov.sg to download (Quick links > e-Tax Guides > GST) the e-Tax guide, "GST Guide for Visitors on Tourist Refund Scheme";
- (b) CRC's website at <https://touristrefund.sg>
- (c) STB's website at www.yoursingapore.com; or
- (d) Singapore Customs website at www.customs.gov.sg.

17.2 For enquiries on this e-Tax guide, please contact:

Goods & Services Tax Division
Inland Revenue Authority of Singapore
55 Newton Road
Singapore 307987

Tel: 1800 356 8633
Email: gst@iras.gov.sg