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IRAS e-Tax Guide

GST: Assisted Compliance Assurance
Programme (ACAP)
(Tenth Edition)



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1 Aim

- 1.1 'Assisted Compliance Assurance Programme' (i.e. ACAP in short) was introduced to facilitate GST-registered businesses to better manage their GST risks. ACAP provides a set of guidance for GST-registered businesses to undertake a holistic review of the robustness and effectiveness of their internal control system that impacts GST compliance. This e-Tax Guide explains this initiative in greater detail.
- 1.2 You should read the guide if you are a:
- (a) A senior executive such as a Chief Financial Controller, Tax Manager, Accountant and other person or team tasked to manage GST compliance of the GST-registered business; and
 - (b) Reviewer nominated by the GST-registered businesses to conduct an ACAP Review.

2 At a Glance

- 2.1 ACAP is most suitable for businesses that have already established an effective control framework and incorporated GST risk management to enhance their GST compliance capability. This is especially important for businesses with complex corporate structures and business models with voluminous transactions. GST-registered businesses (regardless of their turnover) may adopt ACAP on a voluntary basis.
- 2.2 You must notify IRAS of your intention before undertaking an ACAP Review. With this notification, IRAS will review your eligibility. If you fulfilled all eligibility conditions and is approved by IRAS to participate in ACAP (hereafter termed as ACAP Applicant), you will not be selected for GST audit unless significant anomalies are noted from your return declarations or fraud is suspected.

3 Glossary

3.1 ACAP

Assisted Compliance Assurance Programme

3.2 ACAP Reviewer

Public Accounting Entity (PAE)¹ and/or its tax affiliate² with track record in conducting audit and/or GST return reviews of large businesses in the same industries. ACAP Applicant's internal audit team that reports directly to an independent Audit Committee may also be considered. For first time ACAP Reviewer, IRAS will screen the audit methodology adopted.

3.3 ACAP Period

ACAP Period is a 12-month period of either:

- (a) the latest 12-month period of GST returns filed; or
- (b) the 12-month period of GST returns filed for the past financial year.

3.4 ACAP Review

An independent review performed by a ACAP Reviewer covering a 12-month ACAP period. The ACAP Reviewer conducts the review on the effectiveness of the ACAP Applicant's GST controls in mitigating risks of filing incorrect GST return and ascertain if it fulfills IRAS' GST Control framework based on the methodology set out in the 'GST ACAP Review Guidance' at Appendix 1 of this e-Tax Guide.

3.5 Test Period

A 6-month period from the ACAP period selected by ACAP Reviewer to perform review testing for ACAP Review. The 6-month Test Period need not be consecutive prescribed accounting periods.

3.6 ACAP Status

A status awarded to an ACAP Applicant who completed the ACAP Review and meets the IRAS' ACAP standard. Depending on the scores obtained, the ACAP Applicant may be awarded either an 'ACAP Premium' or 'ACAP Merit'.

¹ Includes Public Accounting firm, Public Accounting Corporation or Accounting LLP registered with Accounting & Corporate Regulatory Authority.

² Tax affiliate refers to the tax arm of a Singapore PAE, constituted separately and is related to the PAE by ownership or management.

3.7 PAR

A post ACAP review performed by the ACAP Applicant 18 months after the date of accord of its ACAP status.

4 Objectives of ACAP

- 4.1 The primary objective of ACAP is to provide guidance for you to voluntarily initiate a holistic risk-based review on the effectiveness of your business's internal controls to enhance your GST compliance capability, including accurate GST reporting. It will cover three critical levels³ namely Entity, Transaction and GST Reporting levels to ensure continual GST compliance.
- 4.2 Even if you have no immediate intention to undertake ACAP Review, you are encouraged to adopt the GST Control Practices compiled in the checklists of 'Self-Review of GST Controls' as part of the 'GST ACAP Review Guidance' (Annex 1 of Appendix 1) to build or enhance an effective GST Control Framework for your business. This would help you improve your GST compliance capability by identifying and strengthening your weakest link(s) in your GST reporting processes.

5 Overview of ACAP

- 5.1 The ACAP Applicant (you) may involve a qualified Internal or External Reviewer (hereafter termed as ACAP Reviewer) to perform an independent verification of how your GST Control Framework operates, covering a 12-month period (hereafter termed as ACAP Review). Under the programme, the ACAP Reviewer and you must follow the methodology set out in the 'GST ACAP Review Guidance' at Appendix 1 of this e-Tax Guide. You have a period of 15 months to submit to IRAS, the ACAP Report on the results of the ACAP Review for IRAS to accord an ACAP status.
- 5.2 IRAS will accord ACAP status (i.e. which is an indicator of the level of effectiveness of the overall GST controls to ensure continual GST compliance) to you if you attain certain benchmarks in the level of controls. IRAS will support you with a range of benefits when you embark on ACAP and succeed in attaining the benchmarks.

6 Penalty Waiver for Early Participation

- 6.1 IRAS will waive the penalties for voluntary disclosure of non-fraudulent errors under ACAP for businesses who apply for ACAP participation by 31 Mar 2024⁴. (Please refer to paragraph 11 for more details)

³ Please refer to Section 1 of "GST ACAP Review Guidance" for more details.

⁴ The current penalty waiver will cease on 31 Mar 2019. IRAS will grant a final extension of the penalty waiver for another 5 years till 31 Mar 2024.

7 Benefits of ACAP Status

- 7.1 IRAS will accord an ACAP status i.e. **'ACAP Premium' for 5 years or 'ACAP Merit' for 3 years** with benefits to you if you demonstrate sufficient preventive and detective GST controls with monitoring mechanisms at the Entity, Transaction and GST Reporting levels.
- 7.2 If you are accorded with the ACAP status, you will enjoy the following benefits for either 5 years or 3 years:
- (a) Step-down of IRAS-GST compliance activities unless significant anomalies are noted in GST return declarations;
 - (b) Expeditious GST refunds, if no anomalies are noted;
 - (c) Dedicated team to handle GST Rulings and resolve GST issues expeditiously; and
 - (d) Auto-renewal of the GST schemes (e.g. Major Exporter Scheme), if applicable.

8 Eligibility Conditions to Participate in ACAP

- 8.1 To be eligible for participation in ACAP, you should meet all the following conditions.
- (a) You have established proactive GST risk management by having a GST Control Framework encompassing preventive and detective GST controls at the Entity, Transaction and GST Reporting levels to secure GST compliance. The framework should include the following elements:
 - (i) Board of Directors and/or Senior Management⁵ sets the direction and maintains an oversight of a framework for GST risk management;
 - (ii) Ability to identify and manage GST risks; and
 - (iii) Documentation of GST control processes.
 - (b) You have established all key controls listed in the “Self-Review of GST Controls” for the three levels (i.e. Entity, Transaction and GST Reporting). A key control is considered as implemented if 60% or more of the control features (listed in the checklists) or their equivalents are present. (Please refer to paragraph 10.2 for more details.)
 - (c) Your latest financial statements⁶ have been audited and the auditor’s opinion is unqualified.
 - (d) You are registered for GST for at least 3 years.
 - (e) You are not currently under any GST audit⁷ conducted by IRAS.
 - (f) You have good compliance records for GST, Income Tax, Property Tax (including no tax outstanding⁸ with IRAS) and with the Singapore Customs.
 - (g) You have committed to appoint a qualified ACAP Reviewer to conduct ACAP Review as elaborated in paragraph 9.

⁵ Senior management refers to persons charged with executive responsibilities for the conduct of the entity’s operations such as Chief Executive Officer, Chief Financial Officer and Chief Corporate Officer.

⁶ You should have the latest financial statements audited if you have not been subject to any statutory audits in the past.

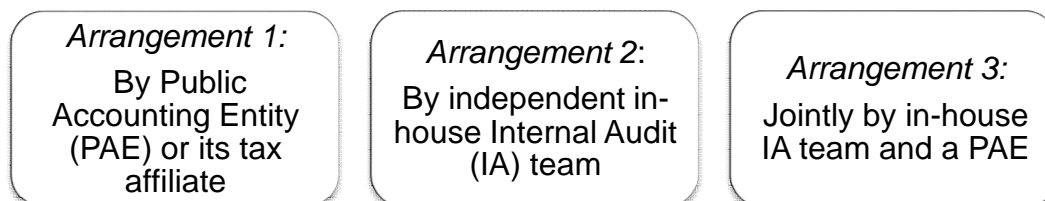
⁷ This will be indicated by an Audit Contact Letter issued by IRAS to initiate a GST audit review. The following situations will not be considered as a GST audit review by IRAS:

- i) Survey or questionnaire sent to seek feedback on GST matters;
- ii) Clarifications sought on ruling request on technical treatment.

⁸ This excludes tax due under instalment plan or amount due for the next GIRO deduction.

9 Conduct of ACAP Review by ACAP Reviewers

9.1 ACAP Review may be conducted based on any of the following 3 arrangements:



9.2 Arrangement 1: ACAP Review is conducted by a Public Accounting Entity (PAE)⁹ or its tax affiliate

A PAE or its tax affiliate¹⁰ is engaged to perform the entire ACAP Review. The designated ACAP team fulfills the following conditions:

- (a) The designated ACAP team is led by an Accredited Tax Advisor (GST) of Singapore Institute of Accredited Tax Professionals (SIATP).
- (b) The team reports to an Audit Partner or Tax Partner / Tax Director.
- (c) The team's tests of controls follow the audit methodology based on generally accepted auditing standards¹¹.
- (d) If the PAE or its tax affiliate had been involved in other GST specific engagements listed below, it should put in place additional safeguards (other than the usual safeguards required by the profession):

GST specific engagement	Additional safeguards in the conduct of ACAP Review
PAE or its tax affiliate prepares or reviews GST return for the ACAP Applicant prior to e-filing of the return.	The 12-month ACAP period ¹² should not coincide with the same period for which the GST return was prepared or reviewed. If the periods coincide, the firm should assign an entirely different team ¹³ to undertake the ACAP review.

⁹ Refers to Public Accounting Firm, Public Accounting Corporation or Accounting LLP registered with Accounting & Corporate Regulatory Authority.

¹⁰ Tax affiliate refers to the tax arm of a Singapore PAE, constituted separately and is related to the PAE by ownership or management.

¹¹ For example, the audit procedures relating to tests of controls as prescribed in the Singapore Standard on Auditing (SSA 330).

¹² ACAP Period is a 12-month period of either:

(i) the latest 12-month period of GST returns filed; or

(ii) the 12-month period of GST returns filed for the past financial year.

¹³ The team from the staff to the audit partner/tax partner/tax director who is accountable for the ACAP Review must not be involved in the engagement to prepare or review GST return for the ACAP Applicant.

GST specific engagement	Additional safeguards in the conduct of ACAP Review
PAE or its tax affiliate designs and /or documents the GST process flows of the ACAP Applicant.	The staff involved in the design and documentation of the GST process flows must not be a member of the ACAP Review team.

9.3 Arrangement 2: ACAP Review is conducted by an Independent In-House Internal Audit (IA) team

ACAP Review is conducted independently by your in-house Internal Audit (IA) team. The IA team in charge of ACAP Review must fulfil the following conditions:

- (a) The team lead is a member of a professional accounting or auditing body¹⁴.
- (b) At least one member¹⁵ in the team is an Accredited Tax Practitioner (GST) or Accredited Tax Advisor (GST) of SIATP.
- (c) The team reports directly to the Audit Committee (AC) comprising all independent non-executive directors¹⁶; or reports to a committee specifically tasked by the senior management to oversee the review independently and the committee reports its findings to AC.
- (d) If the ACAP Review is performed by a global IA team, the global IA team has similar set-up in reporting to an overseas AC comprising all non-executive directors.

9.4 Arrangement 3: ACAP Review is conducted jointly by in-house IA team and a PAE

A PAE is engaged to conduct ACAP Review jointly with your in-house IA team. The composition of the team members may vary depending on your needs. If the lead ACAP Reviewer is from the PAE, he must fulfil the conditions under Arrangement 1. If the lead ACAP Reviewer is from your IA team, he must fulfil the conditions under Arrangement 2.

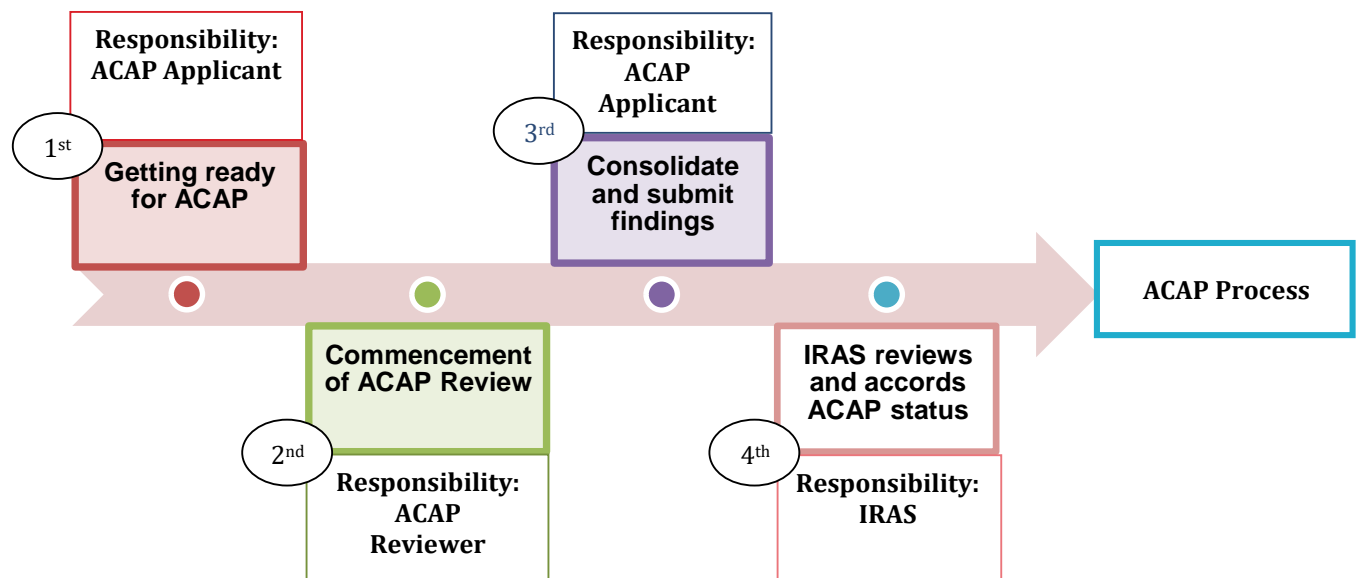
¹⁴ Examples of professional accounting or auditing bodies include Institute of Singapore Chartered Accountants (ISCA), Association of Chartered Certified Accountants (ACCA), Institute of Internal Auditors (IIA).

¹⁵ If the internal auditors are not Accredited Tax Practitioner (GST) or Accredited Tax Advisor (GST) of SIATP, for the purpose of conducting ACAP Review, the IA team members may include the Applicant's in-house tax advisory personnel or an external tax advisory consultant who are Accredited Tax Practitioner (GST) or Accredited Tax Advisor (GST) of SIATP.

¹⁶ IRAS follows the requirements of "The Singapore Exchange Listing Rules" on the composition of Audit Committee members.

10 ACAP Milestones

10.1 There are four milestones in the ACAP Process.



1st Milestone: Getting ready for ACAP

- 10.2 If you wish to undertake ACAP, you must first satisfy the eligibility conditions set out in paragraph 8. In particular, you must ensure that your GST Control Framework is ready for ACAP.
- 10.3 To make an assessment if your GST Control Framework meets the requirement at entry level specified in paragraph 8.1(b), you should refer to the checklists of “Self-Review of GST Controls” and the accompanying important notes.
- 10.4 Once the self-assessment is performed and the result meets the minimum requirement, you can proceed to notify IRAS of your intention and the choice of ACAP Review arrangement by submitting the form GST F23 “Participation in GST ACAP”. The checklists of “Self-Review of GST Controls” need not be submitted at the point of notification.
- 10.5 IRAS will inform you on the status of your application within 10 working days from the date of receipt of the form. If you are a successful Applicant, IRAS will not commence any GST audit activities on you unless significant anomalies are observed from your return declarations or fraud is suspected.
- 10.6 Please refer to paragraph 11 for more information on penalty waiver for early participation.

- 10.7 As an ACAP Applicant, you should proceed to prepare and collate the information crucial for the conduct of ACAP Review as set out in Section 1 of 'GST ACAP Review Guidance' (see Appendix 1).
- 10.8 'GST ACAP Review Guidance' sets out the scope and review process involved in conducting the review of the GST Control Framework. Examples and templates are included to assist you and your ACAP Reviewer to prepare and gather evidence for the ACAP Review.

<i>Information to be furnished to IRAS</i>	<p>You should complete and submit the form GST F23 "Participation in GST ACAP".</p> <p>The form can be downloaded from https://www.iras.gov.sg (Under Quick Links, Forms>GST> Others).</p>
<i>What would IRAS do with the information?</i>	<p>IRAS notifies successful ACAP Applicant to commence ACAP review and suspends its GST audit activities for up to 15 months (see paragraph 10.5 above) pending the results of the ACAP review.</p>

2nd Milestone: Commencement of ACAP Review by the ACAP Reviewer

- 10.9 During this milestone, the ACAP Reviewer and you (ACAP Applicant) are expected to work closely with each other to formalise the ACAP plan, resource requirements, time schedule to complete the ACAP Review and submission of an ACAP Report.
- 10.10 The ACAP Reviewer would proceed to perform the review and tests and document its findings in accordance with Section 3 to Section 7 of the GST ACAP Review Guidance.

3rd Milestone: Consolidate findings and submit ACAP Report to IRAS

- 10.11 Upon the completion of the ACAP Review by the ACAP Reviewer, you should evaluate the ACAP findings and determine the appropriate follow-up actions. These include i) making improvements to address the control gaps identified; ii) reviewing the extent of GST errors made during the ACAP period; iii) quantifying the GST errors for past years affected.
- 10.12 To secure a higher assurance of attaining ACAP status, you may opt for the ACAP Reviewer to extend its review beyond the ACAP Period to cover a 3-month period in which additional or improved GST controls have been implemented.
- 10.13 You need to submit the ACAP Report with the information specified in Section 9 of 'GST ACAP Review Guidance' within 15 months¹⁷ from the date of IRAS's acceptance of its notification of ACAP participation.

<i>Information to be furnished to IRAS</i>	The ACAP Report with the information specified in Section 9 of Appendix 1 "GST ACAP Review Guidance".
<i>What would IRAS do with the information?</i>	IRAS places reliance on the information provided by the ACAP Applicant and "Report of Factual Findings" by the ACAP Reviewer to assess the level of adequacy and effectiveness of GST controls in securing GST compliance.

4th Milestone: Assessment of ACAP status

- 10.14 IRAS will evaluate the case to decide on the ACAP status to be accorded within 4 to 6 months¹⁸ from the receipt of the ACAP Report together with the Report on Factual Findings issued by the ACAP Reviewer.
- 10.15 If the need arises, IRAS may request for a meeting with the ACAP Reviewer and you to clarify information furnished in the ACAP Report and Report on Factual Findings. In exceptional situations, IRAS may request to sight working papers from the ACAP Reviewer on a need-to-know basis.
- 10.16 You will be awarded with the 'ACAP Premium' or 'ACAP Merit' status and will enjoy the accompanying benefits tied to the status. The general criteria qualifying for 'ACAP Premium' and 'ACAP Merit' status are elaborated in paragraph 12. IRAS's decision in according ACAP status is final.

¹⁷ IRAS will consider extending the deadline for the submission of the ACAP Report only if there are valid reasons provided by you on a case-by-case basis.

¹⁸ This is subject to full resolution of issues (e.g. on technical treatment, GST controls, tax quantifications) detected during IRAS's review of the ACAP report.

11 Errors Discovered in the Course of ACAP Review

- 11.1 If errors are discovered in the course of ACAP Review, you should describe the nature of errors and determine the dollar amounts associated with each category of errors for the ACAP period of 12 months. For recurring errors involving GST amounts in prior years, you should quantify the errors for the past years affected. If you have difficulties in determining the actual amount of errors, you may propose a reasonable basis to estimate past errors.
- 11.2 IRAS will waive penalties for genuine non-wilful GST errors voluntarily disclosed either in the course of ACAP Review or at the latest, in the submission of ACAP Report, subject to the following conditions:
- (a) You notify IRAS by 31 Mar 2024 of your intention to embark on your first ACAP;
 - (b) You settle the additional taxes; and
 - (c) You attain 'ACAP Premium' or 'ACAP Merit' status.
- 11.3 This is a one-time extension of the normal 1-year grace period under the IRAS' Voluntary Disclosure Programme (VDP), as recognition of your efforts to strengthen the effectiveness of the overall GST controls to ensure continual GST compliance. If any of the conditions in paragraph 11.2 are not met, IRAS may impose a reduced penalty under the normal VDP rules, for non-wilful GST errors made.

12 General Guidance for According ACAP Status

12.1 Generally, IRAS will accord you an ACAP status of either 'ACAP Premium' or 'ACAP Merit', if you demonstrate that the GST controls established at three levels (Entity, Transaction and GST Reporting) are overall working effectively, based on the findings of the ACAP Reviewer.

ACAP Premium

12.2 You could be accorded 'ACAP Premium' status if IRAS is satisfied that all the following criteria are met:

- (a) GST risk management framework is incorporated as part of your corporate governance with all key GST risks identified and managed;
- (b) All key GST controls are well integrated into your operating and financial framework;
- (c) GST controls established at all the three levels i.e. Entity, Transaction and GST Reporting levels are working effectively; and
- (d) Monitoring and review process on GST declarations and adherence to GST requirements are performed regularly by designated persons.

ACAP Merit

12.3 You may be accorded 'ACAP Merit' status if IRAS is satisfied that all the following criteria are met:

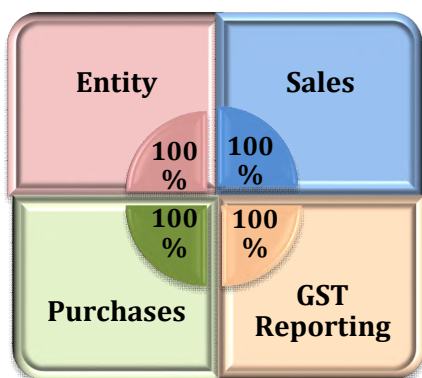
- (a) GST risk management framework is incorporated as part of your corporate governance with most of the key GST risks identified and managed;
- (b) Most of the key GST controls are integrated into your operating and financial framework;
- (c) GST controls established at Entity, Transaction and GST Reporting levels are working effectively to a large extent with measures taken to improve control gaps; and
- (d) Monitoring and review process on GST declarations and adherence to GST requirements are performed on a less regular or on an ad-hoc basis.

Rating system for according ACAP status

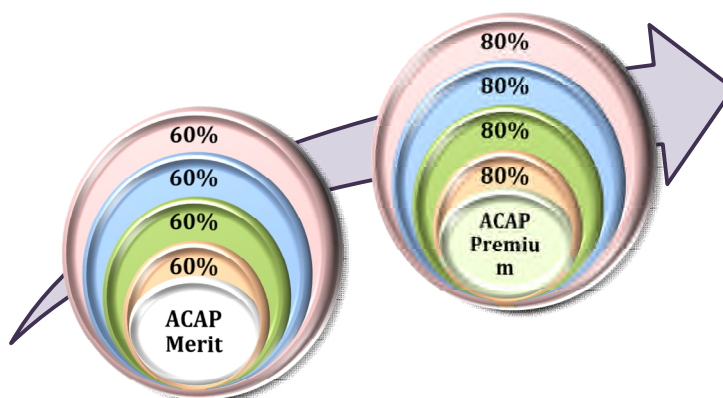
- 12.4 IRAS would assess the adequacy and effectiveness of the controls established by you at each level based on your 'Self-Review of GST Controls Checklist', the ACAP Reviewer's 'Report on Factual Findings' and your follow-up actions on gaps and errors.
- 12.5 IRAS recognises that within the GST Control Framework, control gaps and GST errors may still occur. In making an assessment of the ACAP status, IRAS will consider the extent and impact of such gaps and GST errors and whether you have proactively taken steps to address such risks.
- 12.6 IRAS has weighed the relative importance of the controls at Entity, Transaction and GST Reporting levels. According of ACAP status will generally be guided by the scores set out in the table below:

Control features maintained at:	Maximum score points	Minimum score to attain	
		ACAP Premium	ACAP Merit
Entity Level	100%	80%	60%
Transaction Level			
• Sales	100%	80%	60%
• Purchases	100%	80%	60%
GST Reporting Level	100%	80%	60%
Overall score for all levels		80%	60%

IRAS allocation of score points for controls maintained at:



ACAP Status Accorded: Minimum Expected Score Points



- 12.7 Where IRAS assesses that you have not met the minimum score to attain an ACAP status due to control gaps and errors, IRAS may offer an option to you based on the merits of the case. This option is for you to engage the ACAP Reviewer to review that the control gaps and errors were rectified with additional or improved controls implemented for at least 3 months or a longer period.
- 12.8 IRAS will take into account the additional findings of the ACAP Reviewer to evaluate the final ACAP status.

13 After Award of ACAP Status

Monitoring and review during the validity period of ACAP status

- 13.1 During the validity period of your ACAP status, you have to perform two Post ACAP Reviews¹⁹ (“PAR”) as a quality assurance of your effective oversight on GST matters and the accuracy of GST returns submitted.
- 13.2 The PAR performed must be documented via GST F28 “Post ACAP Review Declaration” and substantiated with working papers on the samples reviewed. You are required to submit the GST F28 to IRAS if your PAR is due on or after 1 Jan 2016.
- 13.3 The first PAR has to be completed within 18 months²⁰ from the date of the accord of ACAP status and the second PAR has to be completed 6 months before the expiry of the ACAP status. Please refer to the Appendix 2 “Information Leaflet on Post ACAP Review” on the review scope, sample size and review period.
- 13.4 If you are under any GST scheme (e.g. Major Exporter Scheme, Import GST Deferment Scheme), the second PAR must be performed or certified by an Accredited Tax Practitioner or Advisor (GST) of SIATP. It must be documented via GST F28A “Certified Post ACAP Review Declaration” and submitted six months before the expiry of the ACAP status. Please refer to the Appendix 3 “Information Leaflet on Certified Post ACAP Review” on the review scope, sample size and review period.
- 13.5 However, if you renew your ACAP status, you will be exempted from conducting the second PAR. Please refer to paragraph 14 for more information on renewal of ACAP status.
- 13.6 Any voluntary disclosure of errors under PAR may enjoy waiver of penalties or reduced penalties if the errors are disclosed within the 1-year grace period under IRAS VDP guidelines. Where there are serious control-related errors (e.g. system has mapped the wrong tax code to categories of transactions) that impact the effectiveness of your GST Control Framework, IRAS will impose additional requirements on you to retain your ACAP status.

¹⁹ Prior to 1 Sep 2015, approved ACAP businesses are required to perform post review of their GST returns on a yearly basis.

²⁰ Prior to 1 Sep 2015, the first PAR has to be completed 3 months after the end of the first ACAP year.

Circumstances where ACAP Status may be terminated before expiry

- 13.7 IRAS may revoke an ACAP status awarded to you under the following circumstances that arise subsequently:
- (a) Statutory auditor has given a qualified report on the ability of your business to continue as a going concern or an adverse report on the financial statements.
 - (b) Public accountant has expressed a qualified conclusion on the effectiveness of the internal control systems of your business from the performance of other assurance engagement.
 - (c) Your business is under receivership or liquidation or is under Scheme of Arrangement with the creditor or if it ceases or is inactive.
 - (d) You failed to comply with any of the condition or requirement imposed by IRAS.
 - (e) You have provided false, misleading or inaccurate information on its compliance to the GST Control Framework or submitted incorrect GST returns with negligence or wilful intent.
- 13.8 During the validity period of ACAP status, you should notify IRAS if any of the events highlighted in paragraph 13.7 occur.

Change in GST registration structure during validity period of ACAP status

- 13.9 ACAP status is accorded to the GST registered entity. It is not transferable to another entity if there is a change in your GST registration structure. The following table lists the common scenarios and impact on your ACAP status:

Scenario	Impact on ACAP status
You, as an approved ACAP single GST registrant, became a member of a GST Group without ACAP status.	Your ACAP status will be terminated upon conversion to the GST Group. The GST Group has to apply for ACAP if it wishes to.
A member of the Approved ACAP GST Group registrant withdraws from the Group to become a single GST registrant.	The ACAP status granted to the GST Group will not be extended to the outgoing member.

Merger and acquisition of business during the validity period of ACAP status

13.10 In the case of merger and acquisition involving an approved ACAP business, the ACAP status is generally not transferable to another entity. The following tables list the various scenarios and the impact on the ACAP status of the parties involved.

If you (the approved ACAP business) acquire a non-ACAP entity	
Scenario	Impact on ACAP status
The acquired business (non-ACAP entity) remains as a separate GST registered entity.	You may retain your ACAP status. However, your ACAP status will not be extended to the newly acquired business.
The acquired business is merged with yours.	You may retain your ACAP status if you are able to manage the GST risks arising from acquiring the new business.

If you (the approved ACAP business) are acquired by a non-ACAP entity	
Scenario	Impact on ACAP status
You remain as a separate GST registered entity.	You may retain your ACAP status. However, your ACAP status will not be extended to the acquirer.
You are de-registered from GST and merged into the existing business of the acquirer.	Your ACAP status will be revoked. The acquirer needs to apply for ACAP if it wishes to.
Your business is entirely transferred as a going concern to a GST registered acquirer with no existing business operations.	IRAS will only allow the transfer of the ACAP status to the acquirer if the management of the acquirer commits to maintain the established GST Control Framework.

14 Renewal of Your ACAP Status

- 14.1 Prior to the expiry date of your ACAP status, you will be invited to renew the ACAP status.
- 14.2 The scope of ACAP renewal review is less intensive than the first-time ACAP review. The key differences are as follows:
- (a) The Test Period for the conduct of review testing is reduced from 6 months (first ACAP) to 3 months.
 - (b) The ACAP Reviewer needs to perform walkthrough only on tax classification instead of the entire transaction process.
 - (c) Tests of controls are required only if there are new or major changes to business processes (e.g. outsourcing, new accounting software) since the last Post ACAP Review (PAR).
 - (d) A lower sample size to conduct substantive review of documents.
 - (e) The ACAP Renewal Report is simplified and only requires Reviewer to provide salient information on their findings. Submission of the process documentation is optional.
- 14.3 With the renewal, you can continue to enjoy the benefits highlighted in paragraph 7 above for 6 years from the original expiry date of ACAP status if you are accorded with the 'ACAP Premium' status or 4 years if 'ACAP Merit' status.
- 14.4 To renew your ACAP status, you have to engage an independent reviewer to conduct a review of your past GST returns filed in a 12-month period. The findings are to be submitted within 3 months after the expiry date of ACAP status.
- 14.5 For more details on ACAP renewal, please refer to the e-Tax Guide "GST: Renewal of Assisted Compliance Assurance Programme (ACAP) Status".

15 Contact Information

- 15.1 For enquiries on this e-Tax Guide and Appendices, please contact the Goods and Services Tax Division at www.iras.gov.sg (select "Contact Us").

16 Updates and Amendments

	Date of amendment	Amendments made
1	18 Dec 2015	<p>i) Amended section 5 on ACAP Incentives. ii) Amended paragraphs 12.1 to 12.5 on Post ACAP Review. iii) Revised paragraph 12.10.</p> <p><u>Appendix 1 “GST ACAP Review Guidance”</u> iv) Amended paragraphs 1.6, 2.1 and 2.2.</p> <p><u>Appendix 2 “Information Leaflet on Post ACAP Review”</u> v) Editorial changes to paragraphs 2.1(c) and 2.1(d). vi) Inserted paragraph 3 “Review Period for PAR”. vii) Amended paragraph 4.1 on reduced sample size for standard-rated supplies. viii) Inserted paragraphs 4.2 and 5.1.</p>
2	01 Jul 2016	<p>i) Amended paragraph 12. ii) Inserted paragraph 13. iii) Inserted Appendix 3 “Information Leaflet on Certified Post ACAP Review (PAR)”. iv) Removed “ACAP Control Calculator”. v) Replaced Appendix 1- Annex 1 “Self-Review of GST Controls” and Appendix 1- Annex 5 “Notes to Report on Factual Findings”. vi) Editorial changes.</p> <p><u>Appendix 1 “GST ACAP Review Guidance”</u> vii) Renamed “CPA firm” to “Public Accounting Entity”. viii) Editorial changes to Section 1 and 2.</p> <p><u>Appendix 2 “Information Leaflet on Post ACAP Review”</u> ix) Amended paragraph 3.1. x) Inserted paragraphs 4.3, 4.4 and 5.</p>
3	2 Apr 2018	<p>i) Amended ACAP participation date in paragraphs 5.1 and 10.2(a). ii) Inserted footnote 2 in paragraph 5.1.</p>

	Date of amendment	Amendments made
4	29 Oct 2019	<p>i) Inserted Glossary under paragraph 3</p> <p>ii) Editorial changes</p> <p><u>Appendix 1 “GST ACAP Review Guidance”</u></p> <p>iii) Inserted and amended the following on customer accounting, imposing GST on imported services by way of reverse charge/overseas vendor registration regime:</p> <ul style="list-style-type: none"> - Inserted sample sizes for substantive testing under table 1 and 2 of paragraph 5.31 and 5.40 respectively - Amended paragraphs 1.17(b), 1.23(b), 5.20, 5.26, 5.29, 5.32, 5.36, 5.39, and 5.41; diagram under paragraph 5.7; and footnotes 14, 16, 20, and 24 <p>iv) Amended paragraphs 3.12, 4.4(b), 5.25, 5.35, 6.4(b), and 6.4(d)</p> <p>v) Removed examples of common GST risk areas under paragraphs 5.25, 5.35 and 6.4(b).</p> <p>vi) Inserted Section 10 “GST risks at Entity, Transaction and GST Reporting levels”</p> <p>vii) Editorial changes</p> <p><u>Appendix 1 – Annex 1 “Self-Review of GST Controls” & Appendix 1 – Annex 5B “Notes to Report on Factual Findings”</u></p> <p>viii) Refer to ‘Updates’ tab in Annex 1 “Self-Review of GST Controls” for the amendments made.</p> <p><u>Appendix 2 “Information Leaflet on Post ACAP Review”</u></p> <p>ix) Inserted paragraphs 2.7 to 2.9 on review of new processes</p> <p>x) Inserted sample sizes for substantive testing on customer accounting, imported services and digital services under paragraph 4.1</p> <p>xi) Editorial changes</p>

Appendices

The following appendices are downloadable from <https://www.iras.gov.sg> (GST> GST-registered businesses> Getting it right> Voluntary Compliance Initiatives> GST Assisted Compliance Assurance Programme (ACAP), under the section “Related”) or by clicking the following hyperlinks:

Appendix 1	GST ACAP Review Guidance
Appendix 1- Annex 1	Self-Review of GST Controls
Appendix 1- Annex 2	GST Profile of ACAP Applicant
Appendix 1- Annex 3	Sample organisation chart
Appendix 1- Annex 4	Sample documentation on GST Processes
Appendix 1- Annex 5	Report on Factual Findings
Appendix 1- Annex 5A	Consolidated Statement of GST Gaps and Errors
Appendix 1- Annex 5B	Notes to Report on Factual Findings
Appendix 1- Annex 5C	Notes to Report on Factual Findings (For Extended Period Review)
Appendix 1- Annex 6	Template – Review Working Papers (Transaction Level)
Appendix 1- Annex 7	Follow-Up Action on Gaps and Errors
Appendix 1- Annex 8	ACAP Report
Appendix 2	Information Leaflet on Post ACAP Review (PAR)
Appendix 3	Information Leaflet on Certified Post ACAP Review (PAR)

Downloadable GST Forms

The following application forms are downloadable from <https://www.iras.gov.sg> (Under Quick Links, Forms> GST> Others) or by clicking the following hyperlinks:

GST F23	Participation in GST ACAP
GST F28	Post ACAP Review Declaration
GST F28A	Certified Post ACAP Review Declaration