



INLAND REVENUE
AUTHORITY
OF SINGAPORE

IRAS e-Tax Guide

GST: Approved Marine Customer Scheme
(AMCS)
(Fifth Edition)

Published by
Inland Revenue Authority of Singapore

Published on 1 Jan 2023

First edition on 11 Feb 2016
Second edition on 25 Oct 2019
Third Edition on 1 Mar 2021
Fourth Edition on 29 Aug 2022

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1 Aim

- 1.1 This e-Tax Guide explains the mechanism and qualifying criteria for the Approved Marine Customer Scheme (AMCS).
- 1.2 You should read the guide if you are a GST-registered business who would like to apply for the scheme or a supplier to an approved business under the scheme.

2 At a Glance

- 2.1 To ease compliance for businesses procuring goods for use or installation on internationally bound commercial ships, the Approved Marine Customer Scheme (AMCS), was introduced. Under the scheme, approved businesses (henceforth referred to as 'Approved Marine Customers' or AMCs) in the shipping and marine industries are eligible to purchase or rent such goods at zero-percent GST. The documentary requirements imposed on suppliers making these zero-rated supplies to the AMC are simplified such that the supplier does not need to maintain all the documentary evidence spelt out in the e-Tax Guide "GST Guide for the Marine Industry".

3 Benefits of the AMCS

- 3.1 As an AMC, you can enjoy zero-rating when you:
 - (i) Purchase or rent goods for use in the course of your business, provided the goods are for:
 - use as stores or fuel on;
 - installation on; or
 - use in the maintenance or operation of

a commercial ship that is wholly for international travel, without your supplier having to maintain the documentary proof set out in the e-Tax Guide "GST: Guide for the Marine Industry"; and
 - (ii) Procure repair or maintenance services for ship parts or components without having to prove that the parts or components are reinstalled or returned onto the ship as a spare (see paragraph 7 of our e-Tax Guide: GST Guide for the Marine Industry for details).

4 Conditions of Eligibility for AMCS

To be eligible for the scheme, you must satisfy the following conditions:

4.1 You must be a GST-registered business

4.2 You must be a qualifying business

To be a qualifying business, you must have an annual supplies of *at least S\$1 million* and be principally engaged in any of the following businesses:

- (i) Ship owner; or
- (ii) Ship manager.

As a general guide, **95% or more of your business' annual supplies** must relate to your business as ship owner or ship manager (as applicable) for you to be eligible for the scheme.

If you are registered as part of a GST group, to be eligible for the scheme, **95% or more of your GST group's annual supplies** must relate to activities (i) or (ii) mentioned above.

Annual supplies refer to the summation of standard-rated, zero-rated and exempt supplies. However, the following that have been reported as your standard-rated supplies are to be excluded:

- (a) Value of relevant supplies received from your supplier subject to customer accounting¹;
- (b) Value of imported services and low-value goods subject to reverse charge²; and
- (c) Value of remote services and low-value goods supplied by you as an electronic marketplace operator on behalf of suppliers listed on your platform under the overseas vendor registration regime³.

4.3 You must maintain good inventory controls and proper accounting records as well as any other documents or records required under the scheme

You must maintain good inventory systems and controls to track the movement of all the goods purchased under the AMCS. You must be able to keep proper

¹ For more information on relevant supplies and customer accounting, please refer to the e-Tax Guide "GST: Customer Accounting for Prescribed Goods".

² If you are not entitled to full input tax recovery, you have to apply reverse charge on services procured from overseas suppliers from 1 Jan 2020 and on the purchase of imported low-value goods (LVG) from 1 Jan 2023. Please refer to the e-Tax Guide "GST: Reverse Charge" for more information.

³ The overseas vendor registration (OVR) regime was implemented on 1 Jan 2020 and applies to business-to-consumer (B2C) supplies of imported digital services. It will be extended to B2C supplies of imported non-digital services and low-value goods (LVG) from 1 Jan 2023. Please refer to the e-Tax Guides "GST: Taxing imported remote services by way of the overseas vendor registration regime" and "GST: Taxing imported low-value goods by way of the overseas vendor registration regime" for more information.

and up-to-date accounting records of these purchases as well as your subsequent supplies and exports of the goods.

You must also maintain the documents or records that are set out in the paragraphs below. All records and documentation must be made readily available upon the Comptroller's request.

4.4 You must have good compliance records

(a) You must maintain good compliance records with IRAS.

You fulfil all tax obligations such as filing your GST and income tax returns on time and paying your GST, income tax, property tax and withholding tax on a timely basis.

(b) You must maintain good compliance records with Singapore Customs.

4.5 You must complete a self-review under Assisted Self-Help Kit (ASK) or commit to participate in Assisted Compliance Assurance Programme (ACAP)

ASK and ACAP are GST compliance programmes that help GST-registered businesses self-manage their GST risks.

ASK helps GST-registered businesses to review correctness of their GST submission and discover past GST errors early to qualify for IRAS' Voluntary Disclosure Programme.

ACAP is for businesses which have in place a robust GST Control Framework to self-manage their GST risks. These businesses can adopt ACAP to validate their GST compliance capabilities and obtain ACAP status with a suite of benefits and incentives.

If you are registered under divisional GST registration, you will need to complete the ASK self-review or commit to participate in ACAP as an entity.

More information can be obtained from our GST webpage "Voluntary Compliance Initiatives".

4.6 You must be able to comply with other conditions imposed by the Comptroller of GST

The Comptroller may impose additional conditions or requirements (such as furnishing a guarantee) for the purpose of safeguarding tax revenue.

5 Conditions of Approval

5.1 The Conditions of Eligibility are also the Conditions of Approval of the scheme.

6 Requirements under the AMCS

6.1 As an AMC, you are required to comply with the requirements set out below in addition to the Conditions of Approval.

6.2 Goods must be used for a 'specified purpose'

Under the scheme, only goods used for a 'specified purpose' may qualify for zero-rating. Goods are used for a 'specified purpose' if they satisfy both conditions below:-

- (i) Condition 1: The goods are for -
- use as stores or fuel on;
 - installation on; or
 - use in the maintenance or operation of an internationally bound commercial ship⁴.

Goods purchased or rented for ships designed or adapted for recreation or pleasure (even if they are wholly used for international travel) and commercial ships that ply international waters [but are also licensed by the Maritime and Port Authority of Singapore (MPA)] or granted vessel permit by the Public Utilities Board (PUB) will not enjoy the zero-rating benefits under the scheme. Nevertheless the purchase or rental of such goods may qualify for zero-rating under normal GST rules subject to the qualifying conditions and full documentary requirements set out in the e-Tax Guide "GST: Guide for the Marine Industry".

Goods considered as being 'for use or installation on a ship' include machinery, equipment or other goods which are installed and become part of the ship or are for use on the ship for its operations. They exclude:

- Cargo carried onboard a ship to be transported to another destination
- Goods purchased by ship's crew for their own use
- Goods installed on a ship under construction

- (ii) Condition 2: The goods are purchased or rented by you in the course of your business.

Ship owner

If you are a ship owner, zero-rating applies to goods purchased or rented for use or installation on internationally bound commercial ships that you own or charter.

⁴ 'ship' means:

- "any ship (including an oil rig) but does not include any ship —
- (i) that is licensed under the Maritime and Port Authority of Singapore (MPA) Act 1996 as a harbour craft or pleasure craft;
 - (ii) in respect of which a vessel permit has been granted by the Public Utilities Board (PUB) under regulations made under the Public Utilities Act 2001; or
 - (iii) that is designed or adapted for use for recreation or pleasure

Ship manager

If you are a ship manager, zero-rating applies to goods purchased or rented for use or installation on internationally bound commercial ships for which you are appointed as ship manager.

Please refer to Appendix 1 for examples of when zero-rating under AMCS applies.

6.3 Notify your suppliers of your AMCS status

It is your responsibility as an AMC to notify your GST-registered suppliers of your current status so that you can purchase qualifying supplies without payment of GST. To assist suppliers to verify your AMCS status, the names of all AMCs are published on our GST webpage “Approved Marine Customer Scheme (AMCS)”.

6.4 Keep records⁵ and fulfil obligations

| Approved Marine Customer (AMC) | Supplier |
|--|--|
| (i) Provide the suppliers concerned with a copy of IRAS’ approval letter. | (i) Maintain a copy of the approval letter given to your AMC customer. |
| (ii) After having ascertained that your purchase qualifies for zero-rating under the AMCS, provide the supplier concerned with a purchase order (or any other written instruction) with the following details:- <ul style="list-style-type: none"> ▪ Type and name of ship ▪ Confirmation that the goods are for use for the ‘specified purpose’ ▪ Annotation: <i>“Supplies qualify for zero-rating under the Approved Marine Customer Scheme”</i>. | (ii) Obtain purchase orders from your AMC customer with the following details:- <ul style="list-style-type: none"> ▪ Type and name of ship ▪ Confirmation that the goods are for use for the ‘specified purpose’ ▪ Annotation: <i>“Supplies qualify for zero-rating under the Approved Marine Customer Scheme”</i>. (iii) Verify that your customer is an AMC by checking against the list of AMCs published on the IRAS website. |
| (iii) Obtain invoices and delivery notes from your suppliers with the following annotation: <i>“Supplies zero-rated under the Approved Marine Customer Scheme”</i> . | (iv) Issue invoices and delivery notes to your AMC customer with the following annotation: <i>“Supplies zero-rated under the Approved Marine Customer Scheme”</i> . |

⁵ Original documents must be maintained. If you wish to preserve your records in other forms (e.g. electronic format), you do not need to seek approval from the Comptroller of GST. However, you must comply with the guidelines set in the e-Tax Guide “Record Keeping Guide for GST-Registered Businesses”.

| Approved Marine Customer (AMC) | Supplier |
|--|---|
| (iv) Maintain documentary evidence to show that the goods were used for the 'specified purpose' i.e. endorsement by Master/Chief Engineer ⁶ on your supplier's delivery note. | (v) Maintain evidence of payment received from your AMC customer. |
| (v) Notify your suppliers immediately when your AMCS status is revoked. | |
| (vi) Maintain separate records ⁷ for purchases made under the AMCS. | |

6.5 Obtain the Master/ Chief Engineer's endorsement on the supplier's delivery note within 90 days

As an AMC, you have up to an extended period of 90 days (from date of the supplier's delivery note) to obtain the Master/ Chief Engineer's endorsement on the supplier's delivery note [i.e. document (iv)].

In the event that you are unable to obtain the endorsed supplier's delivery note after 90 days or any of the required documents listed in the above table, you must account for the output tax that would have been chargeable on the supply of the goods in your GST return (to be reported as a standard-rated supply and output tax in Boxes 1 and 6 respectively) corresponding to the accounting period in which you received the supply. You may concurrently claim the tax you accounted for as your input tax (to be reported as taxable purchases and input tax in Boxes 5 and 7 of your GST return respectively), provided you satisfy the normal input tax claim conditions⁸.

If you are a ship manager approved under the AMCS, these means that you also have 90 days (from the date of your supplier's delivery note) to obtain the Master/Chief Engineer's endorsement on your own delivery note to zero-rate your onward supply of the goods to the ship owner.

The 60-day rule continues to apply to the other documents you have to maintain, as listed in Appendix 2. In the event that you are unable to obtain all the required documents, you must standard-rate the supply.

⁶ In line with industry developments, the DN may be physically endorsed or digitally signed (in compliance with the Electronic Transactions Act) by the Master/Chief Engineer of the ship. Both types of DNs are acceptable for zero-rating purposes.

⁷ Condition is satisfied if AMC is able to provide a breakdown of taxable purchases (Box 5) into AMCS and non-AMCS purchases. AMC must also be able to reconcile its taxable purchases to its accounting records.

⁸ Please refer to our website for more information on the conditions for claiming input tax.

6.6 Accounting for GST in the event of change in intention of goods usage

In the event that you use or form an intention to use the goods for purposes other than the 'specified purpose', you will need to account for the output tax that would have been chargeable on the supply of the goods in your GST return (to be reported as a standard-rated supply and output tax in Boxes 1 and 6 respectively) for that accounting period. You will nevertheless be entitled to claim the tax accounted for as your input tax (to be reported as taxable purchases and input tax in Boxes 5 and 7 of your GST return respectively), provided you satisfy the normal input tax claim conditions.

Example:

You procure cleaning supplies for use on your internationally bound commercial ships in Jan 2023. You subsequently use a portion of the cleaning supplies for your office in Apr 2023.

You will therefore, have to account for the output tax (on the portion of the cleaning supplies used for your office) that would have been chargeable on the supply in your GST return for the accounting period 1 Apr 2023 to 30 Jun 2023.

6.7 GST reporting requirements of AMC and its supplier under the scheme

As an AMC, you need to record the value of your purchases made under the scheme as taxable purchases (Box 5 of your GST return). There will be no corresponding input tax to be claimed (Box 7 of your GST return) since the purchases are zero-rated.

As a supplier to an AMC, you should report the value of your supplies made under the scheme as zero-rated supplies (Box 2 of your GST return).

As explained in paragraphs 6.5 and 6.6, in the event you:

- are unable to fulfil the 90-day requirement to obtain the Master/ Chief Engineer's endorsement on the supplier's delivery note; or
- use or form an intention to use the goods for purposes other than the 'specified purpose'

you will also need to account for the tax that should have been chargeable.

See Appendix 3 for illustrations of the GST reporting requirements under the AMCS.

7 Application Procedures

- 7.1 To apply for AMCS, you must complete and submit the application form GST F25 (downloadable from www.iras.gov.sg > Quick Links > Forms > GST > GST schemes) together with the following documents:

| Ship owner | Ship manager |
|---|---|
| (i) Latest audited financial statements; | (i) Latest audited financial statements; |
| (ii) Document of Compliance ⁹ issued to you; | (ii) Document of Compliance ⁹ issued to you; |
| (iii) List of ships owned and chartered by you with details such as vessel name, year of build, flag, class and type of ship. In the course of our review of the application, we may request for proof of ownership or appointment as ship charterer of the ships listed; and | (iii) List of ships managed by you with details such as vessel name, name of owner, year of build, flag, class and type of ship. In the course of our review of the application, we may request for proof of appointment ¹¹ as ship manager; and |
| (iv) Duly completed and certified ¹⁰ "ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors (i.e. Section 3 of ASK). | (iv) Duly completed and certified ¹⁰ "ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors (i.e. Section 3 of ASK). |

Note: You do not need to submit a revised listing [i.e. document (iii)] if there are changes to the list of ships owned, managed or chartered by you. However, you need to maintain an updated list, which must be readily available for submission upon IRAS' request.

- 7.2 With regard to the ASK declaration, you must maintain the working templates in Section 3 of the ASK to support that the "ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors" is accurately completed. We may request for the working templates when reviewing your application.
- 7.3 If you have successfully applied to participate in ACAP, the certified ASK declaration form will not be required unless you subsequently withdraw your ACAP participation or fail to obtain ACAP status. In this respect, you must immediately undertake to perform ASK and submit the duly completed and

⁹ 'Document of Compliance' is a certificate issued to a company when it has been verified that it complies with the relevant requirements of the International Safety Management (ISM) code."

¹⁰ The "ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors" has to be certified by either your own in-house or an external tax professional who is accredited as an Accredited Tax Practitioner (GST) or Accredited Tax Advisor (GST) with the Singapore Chartered Tax Professionals Limited (SCTP). For more information on accreditation, please visit <https://sctp.org.sg>.

¹¹ In the absence of a written contract, the Comptroller of GST is prepared to consider other commercial documents as evidence of proof of appointment, on a case-by-case basis.

certified ASK declaration form within 6 months from the date of withdrawal or notification of your unsuccessful ACAP status.

- 7.4 If you already have a valid ACAP status, the ASK declaration form is not required if you perform a Post ACAP Review (PAR) and submit the “PAR Declaration” form (GST F28/F28A) or apply for ACAP renewal (GST F29).
- 7.5 You will be informed of the outcome of your application within one month from the date of the Comptroller’s receipt of your application. This is provided that your application form is fully completed and the required relevant supporting documents fully furnished, including any documents or information that we may request in the course of our review of your application.

8 Validity Period of AMCS Status

- 8.1 If your application is successful, you will be granted the AMCS status and it will remain valid for as long as you continue to satisfy the Conditions of Eligibility for AMCS.
- 8.2 You should therefore conduct regular reviews to ensure that you continue to satisfy the Conditions of Eligibility and are able to comply with the requirements of the scheme. You may also be subject to periodic audits by the Comptroller, unless you have been accorded the ACAP status. The Comptroller will then step-down on GST compliance activities during the tenure of your ACAP status unless significant anomalies are noted in your GST declarations.

9 Implications of Cessation from AMCS

- 9.1 At any time you cease to qualify for AMCS (for example, when your principal business activities change or you no longer procure supplies for internationally bound commercial ships), you must inform the Comptroller immediately. Your AMCS status will be terminated upon your cessation to qualify for AMCS. You may also withdraw from the scheme at any time.
- 9.2 In the event that your AMC status is terminated or withdrawn, you will need to account for output tax on the value of any purchases made previously under AMCS where the goods have not yet been used for the ‘specified purpose’ as at the date you cease to be an AMC. You need to account for the tax in your GST return corresponding to the day you cease to be an AMC, by accounting for the value of the goods as ‘standard-rated supplies’ and the tax as ‘output tax’ (under Boxes 1 and 6 respectively). You may concurrently claim the tax accounted for as input tax (to be reported as taxable purchases and input tax in Boxes 5 and 7 of your GST return respectively), provided you satisfy the normal input tax claim conditions.

10 De-registration Implications for AMCS Business

10.1 When you de-register from GST, like all other GST-registered businesses you have to fulfil all the requirements pertaining to de-registration.

Upon de-registration, you will have to:

- (i) account for output tax on the value of any purchases made previously under AMCS where the goods have not yet been used for the 'specified purpose' as at the date of de-registration in your Final GST Return (GST F8).

The tax is to be accounted for as standard-rated supplies and output tax (under Boxes 1 and 6 respectively) in your GST F8;

- (ii) concurrently, claim the tax accounted for as input tax (to be reported as taxable purchases and input tax in Boxes 5 and 7 respectively) in your GST F8, provided you satisfy the normal input tax claim conditions; and
- (iii) thereafter, account for deemed output tax in your GST F8 if the value of your taxable assets on hand [such as stock and non-residential properties (for which input tax has been allowed previously) and goods purchased under AMCS] exceeds S\$10,000.

Example:

Your registration for GST is cancelled with effect from 1 Jul 2023. You also cease to be an AMC upon de-registration.

Your assets on hand as at 30 Jun 2023 are:

| | |
|---|--------------------|
| Stock on hand (input tax allowed previously) | \$500,000 |
| Non-residential properties (input tax allowed previously) | \$1,000,000 |
| Goods purchased under AMCS (see paragraph 10.1) | \$8,000 |
| Total | <u>\$1,508,000</u> |

Hence, you would need to account for deemed output tax in your Final GST Return on \$1,508,000.

11 Consequences of non-compliance with AMCS

11.1 The Comptroller may by notice in writing, revoke your AMCS status if it is found that you have:

- (i) at any time ceased to satisfy any of the Conditions of Eligibility of the scheme;
- (ii) provided false, misleading or inaccurate information on your eligibility for AMCS; or
- (iii) failed to comply with any condition or requirement of the scheme or as imposed by the Comptroller.

11.2 In addition, you will be required to repay to the Comptroller the GST that would have otherwise been payable on the purchases if not made under the scheme, if you are found to have misused your AMCS status. For example:

- (i) You have ceased to be principally engaged as a ship owner or ship manager without notifying the Comptroller.
- (ii) You purchase goods or services using your AMCS status for purposes other than 'specified purpose' (including making purchases on behalf of other persons for the furtherance of their business).

In such instances, you as the AMC buyer have to account for the tax due as output tax (Box 6) in your GST return. You will also not be entitled to any corresponding input tax credits.

Example 1:

You, a ship owner, purchase goods to be used on an internationally bound commercial ship on behalf of another company Y. Subsequently, you seek reimbursement (with or without markup) from company Y. You are therefore considered to have misused your AMCS status.

Example 2:

You, a ship manager, purchase goods to be used on an internationally bound commercial ship on behalf of a ship owner (company Z) for which you are not appointed as the ship manager. Subsequently, you seek reimbursement (with or without markup) from company Z. You are therefore considered to have misused your AMCS status.

Example 3:

You, a ship manager, cease to be principally engaged as a ship manager with effect from Feb 2023. You did not notify the Comptroller immediately and continued to make purchases under AMCS after you ceased to be principally engaged as a ship manager. You are therefore considered to have misused your AMCS status.

12 Contact Information

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

13 Updates and Amendments

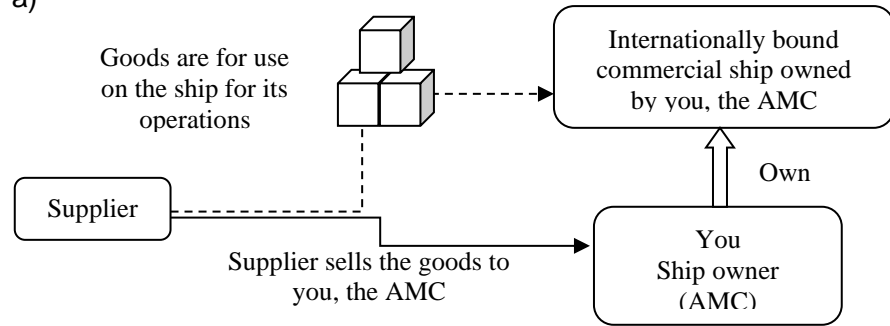
| | Date of amendment | Amendments made |
|---|--------------------------|--|
| 1 | 25 Oct 2019 | <ul style="list-style-type: none"> Added the meaning of ‘annual supplies’ in paragraph 4.2. |
| 2 | 1 Mar 2021 | <ul style="list-style-type: none"> Updated change in name of Singapore Institute of Accredited Tax Professionals (SIATP) to Singapore Chartered Tax Professionals Limited (SCTP) |
| 3 | 29 Aug 2022 | <ul style="list-style-type: none"> Updated paragraph 4.2 on meaning of ‘annual supplies’ Updated footnote 2 on reverse charge and footnote 3 on overseas vendor registration regime Added footnotes 7 and 12 to clarify that either physically endorsed or digitally signed (in the compliance with the Electronic Transactions Act) delivery notes by the Master/Chief Engineer of the ship may be maintained to support zero-rating relief Editorial changes |
| 4 | 1 Jan 2023 | <ul style="list-style-type: none"> Updated examples in Appendix 3 to reflect new GST rate of 8% Editorial changes |

Appendix 1: Illustrations of When Zero-rating Under AMCS Applies

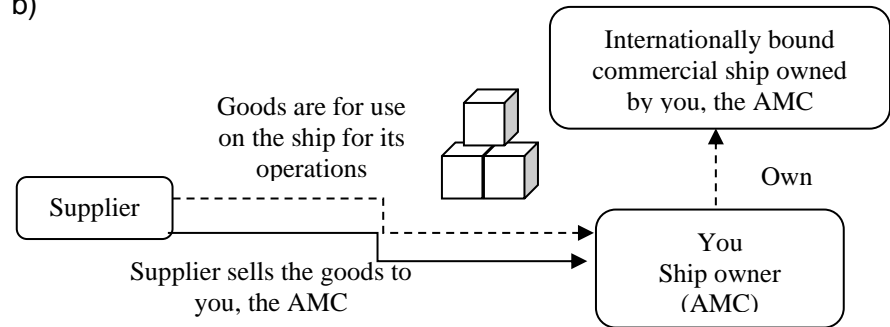
Example 1:

You, as a ship owner, purchase goods for use on your internationally bound commercial ship.

a)



b)



Tax treatment

Supply from supplier to you, the ship owner qualifies for zero-rating under AMCS

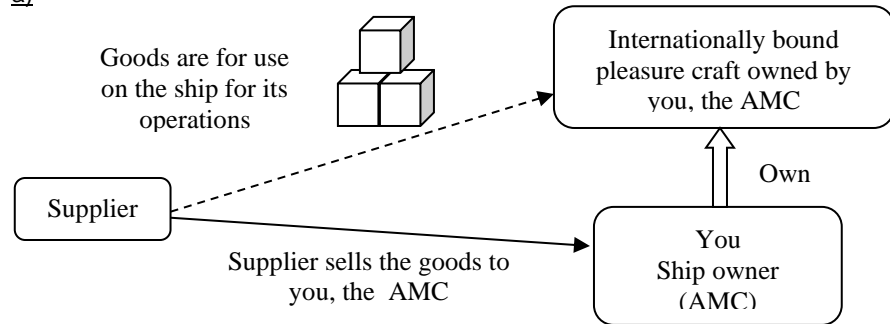
Supply from supplier to you, the ship owner qualifies for zero-rating under AMCS

- > Invoices
- - - - -> Delivery of goods

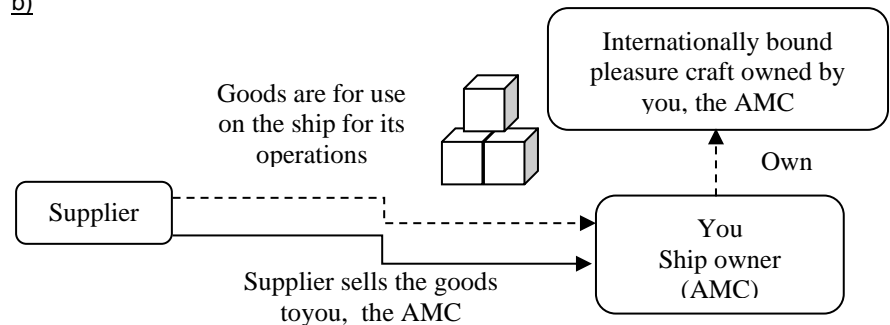
Example 2:

You, as a ship owner, purchase goods for use on your internationally bound pleasure craft.

a)



b)



Tax treatment

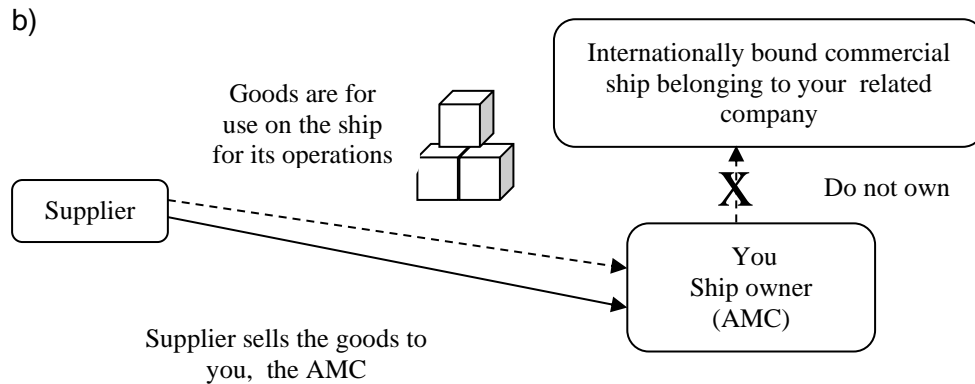
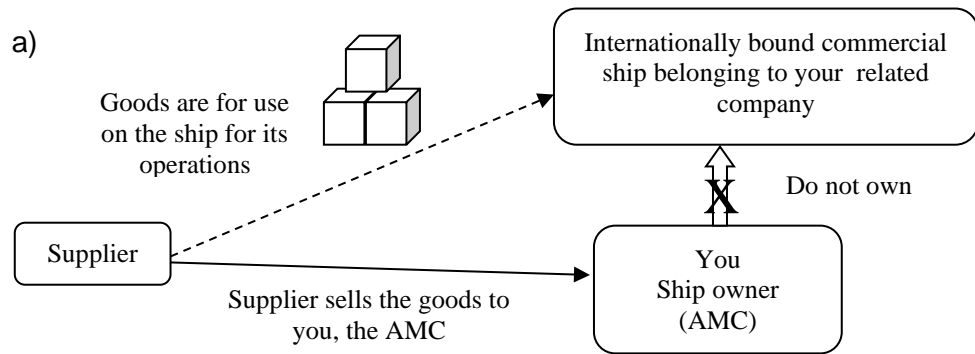
Supply from supplier to you, the ship owner does not qualify for zero-rating under AMCS as goods are for use on a pleasure craft (and not commercial ship)

Supply from supplier to you, the ship owner does not qualify for zero-rating under AMCS as goods are for use on a pleasure craft (and not commercial ship)

- ▶ Invoices
- - - - -▶ Delivery of goods

Example 3:

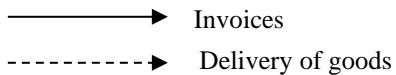
You, as a ship owner, purchase goods for use on an internationally bound commercial ship belonging to your related company.



Tax treatment

Supply from supplier to you does not qualify for zero-rating under AMCS as the goods are for use on commercial ship not belonging to you

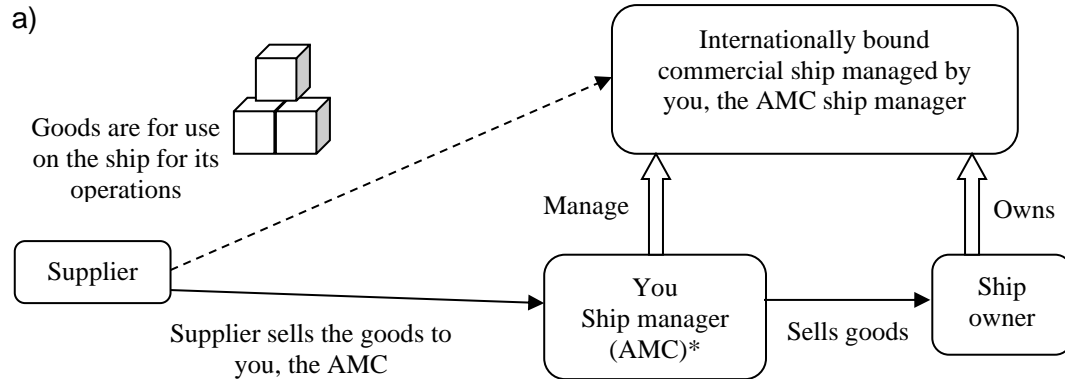
Supply from supplier to you does not qualify for zero-rating under AMCS as the goods are for use on commercial ship not belonging to you



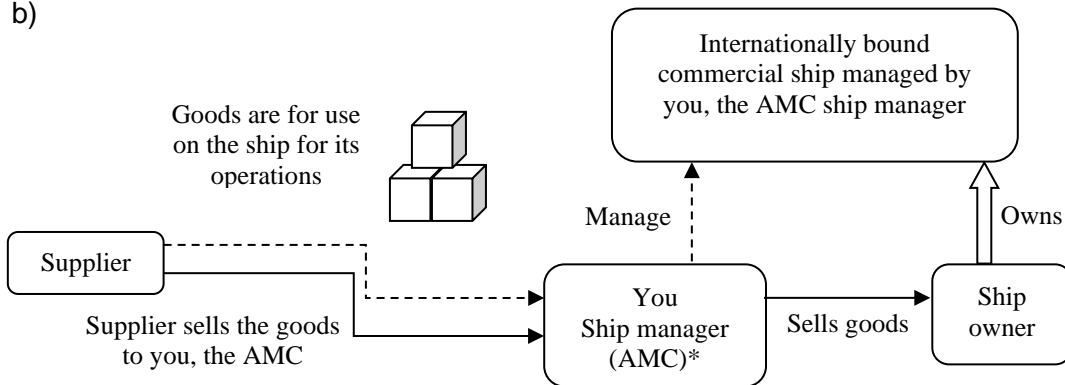
Example 4:

You, as a 'ship manager', purchase goods for use on internationally bound commercial ship which you manage..

a)



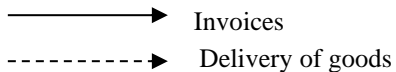
b)



Tax treatment

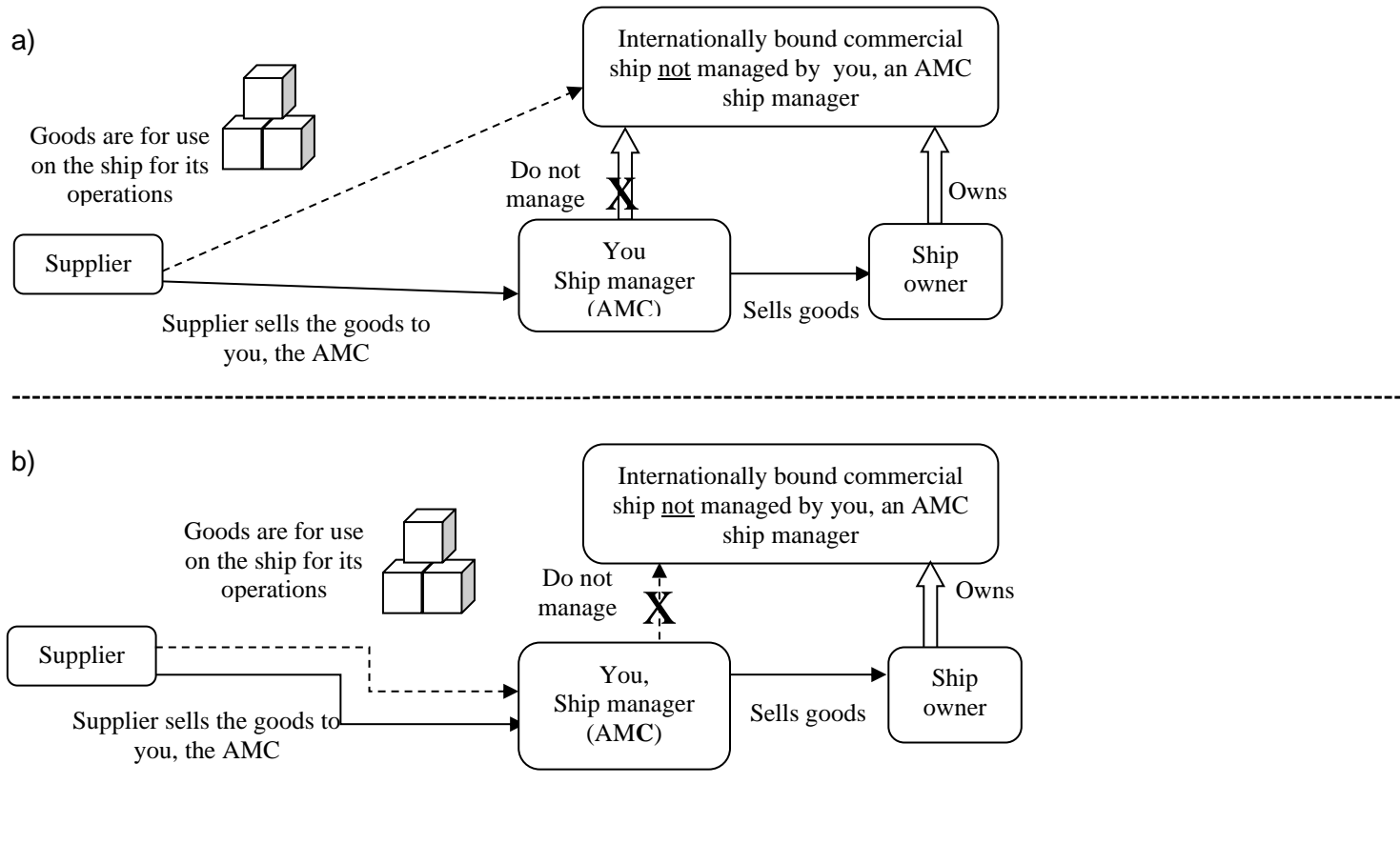
Supply from supplier to you, the ship manager qualifies for zero-rating under AMCS

Supply from supplier to you, the ship manager qualifies for zero-rating under AMCS



Example 5:

You, a ship manager, purchase goods for use on internationally bound commercial ship which you do not manage.



Tax treatment

Supply from supplier to you does not qualify for zero-rating under AMCS as the goods are for use on commercial ship which is not managed by you as ship manager

Supply from supplier to you does not qualify for zero-rating under AMCS as the goods are for use on commercial ship which is not managed by you as ship manager

—————▶ Invoices
 - - - - -▶ Delivery of goods

Appendix 2: Documentary requirements for zero-rating the delivery of goods directly on board the international bound commercial ship in Singapore

(adapted from scenario 1 of Appendix 4 of the e-tax guide: GST Guide for Marine Industry)

You can zero-rate the supply of any goods for use or installation on a ship if you deliver or arrange for the delivery of the goods **directly on board the ship** in Singapore, and you maintain the following documents:-

- *Purchase order (PO) or any other written instruction from your customer indicating that the goods are for the ship and to be delivered directly to the ship. The PO must indicate the type and name of the vessel and the place of delivery of the goods as the ship itself.*
- *Your invoice to your customer*
- *Evidence of payment received from your customer*
- *For any goods other than bunker fuel, your delivery note (DN) must be endorsed by the Master/Chief Engineer¹² of the ship that the goods delivered are for use/installation on the ship. The DN must also show the date of receipt of goods*
- *For the supply of bunker fuel only, the bunker delivery note must be endorsed by the Master/Chief Engineer of the ship.*

¹² In line with industry developments, the DN may be physically endorsed or digitally signed (in compliance with the Electronic Transactions Act) by the Master/Chief Engineer of the ship. Both types of DNs are acceptable for zero-rating purposes.

Appendix 3: Illustration of GST Reporting Requirements under AMCS (Example 1)

| Supply | Time of Supply | Prescribed Accounting Period ¹³ ended | You [Approved Marine Customer] | Supplier |
|---|----------------|--|---|--|
| In Jan 2023, you purchase cleaning supplies of \$100 intended for use on your internationally bound commercial ships. | Jan 2023 | 31 Mar 2023 | Taxable purchases (Box 5) \$100 | Zero-rated supplies (Box 2) \$100 |
| <p>Subsequently in Apr 2023, your related company urgently needs a portion of these cleaning supplies (cost \$80) for its office use and you decide to sell the cleaning supplies to your related company.</p> <p>Upon forming the intention to sell the cleaning supplies to your related company, you must account for GST as there is a change in intention of the use of the goods.</p> | Apr 2023 | 30 Jun 2023 | Standard-rated supplies (Box 1) \$80 Output tax (Box 6) \$6.40 Taxable purchases (Box 5) \$80 Input tax ¹⁴ (Box 7) \$6.40 | Not applicable |
| <p>You eventually sell the cleaning supplies to your related company in May 2023, with no mark-up.</p> <p>Applying the normal GST rules, you must account the sale as your supply of goods in your GST return.</p> | May 2023 | 30 Jun 2023 | Standard-rated supplies (Box 1) \$80 Output tax (Box 6) \$6.40 | Not applicable |

¹³Assuming your prescribed accounting periods are Jan-Mar, Apr-Jun, Jul-Sep and Oct-Dec.

¹⁴ Subject to normal input tax claim conditions

Appendix 3: Illustration of GST Reporting Requirements under AMCS (Example 2)

| Supply | Time of Supply | Prescribed Accounting Period ¹⁵ ended | You [Approved Marine Customer] | | Supplier | |
|---|----------------|--|---|--|--------------------------------|-------|
| In Jan 2023, you purchase cleaning supplies of \$100 intended for use on your internationally bound commercial ships. | Jan 2023 | 31 Mar 2023 | Taxable purchases (Box 5) | \$100 | Zero-rated supplies (Box 2) | \$100 |
| Subsequently in Apr 2023, you decide to use a portion of the cleaning supplies (\$80) for your office instead. Upon forming this intention, you must then account for GST given the change in intention of the use of the goods. | Apr 2023 | 30 Jun 2023 | Standard-rated supplies (Box 1) Output tax (Box 6) Taxable purchases (Box 5) Input tax ¹⁶ (Box 7) | \$80 \$6.40 \$80 \$6.40 | Not applicable | |

¹⁵Assuming your prescribed accounting periods are Jan-Mar, Apr-Jun, Jul-Sep and Oct-Dec.

¹⁶ Subject to normal input tax claim conditions