INLAND REVENUE AUTHORITY OF SINGAPORE

IRAS e-Tax Guide

IRAS' Voluntary Disclosure Programme (Twelfth Edition)

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IRAS’ Voluntary Disclosure Programme

1 Aim

1.1 This e-Tax Guide specifies the conditions for a voluntary disclosure to qualify under IRAS’ Voluntary Disclosure Programme (VDP).

2 At a Glance

2.1 The VDP is applicable to Income Tax, Goods and Services Tax (GST), Withholding Tax and Stamp Duty (SD). For the purposes of this e-Tax Guide, references to “income tax” include cash payouts / bonus administered under the Income Tax Act 1947. Correspondingly, references to “income tax undercharged” will also mean “amount of cash payout/ bonus exceeding entitlement obtained” and “evade taxes” will also refer to “obtain a higher amount of cash payout/ bonus than entitled to” (henceforth referred to as “obtain excessive cash payouts”).

2.2 Since 1 Jan 2013, the reduced penalties for voluntary disclosures that meet the qualifying conditions are as follows:

(a) Disclosure made within the 1-year ‘grace period’[1] – Penalty will not be imposed;

(b) Disclosure made after the 1-year ‘grace period’ –

(i) Individual Income Tax and Corporate Tax: Reduced penalty is 5% of the tax undercharged or of the amount of cash payout / bonus exceeding entitlement obtained for each year (after the grace period) the error was late in being rectified;

(ii) Withholding Tax: Reduced penalty is a flat 5% of the outstanding tax; and

(iii) GST: Reduced penalty is a flat 5% of tax undercharged.

2.3 Regardless of the frequency of voluntary disclosures made by a taxpayer, all voluntary disclosures that meet the qualifying conditions may be eligible for reduced penalties, depending on whether the disclosures are made within or after the 1-year grace period.

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[1] 1 year from the statutory filing deadline and not the extended deadline (if any) given to a taxpayer - statutory filing deadlines for the various tax types are as follows:
- Individual Income Tax: 15 Apr
- Corporate Tax: 30 Nov
- GST: One month from the end of the accounting period covered by the GST return e.g. 30 Apr for accounting period from 1 Jan to 31 Mar
- Withholding Tax: 15th of the second month from the date of payment to non-resident.

2.4 For a voluntary disclosure pertaining to late stamping or underpayment of SD that meets the qualifying conditions, the reduced penalty is 5% per annum computed on a daily basis on the additional SD payable. There is no grace period applicable to SD.

2.5 Guidelines on what could be considered as an action involving wilful intent to evade taxes or to obtain excessive cash payouts, and the reduced penalty applicable to a qualifying voluntary disclosure of such an action is at **Annex A**.

2.6 The information required from a taxpayer that wishes to qualify for the VDP is at **Annex B**. This is to aid taxpayers in the preparation of their VDP applications.

3 Background

3.1 Taxpayers may make errors in their returns / forms due to ignorance, negligence, or with a wilful intent to evade taxes or to obtain excessive cash payouts. IRAS' VDP aims to encourage taxpayers to come forward voluntarily, in a timely manner, to correct their errors. IRAS is prepared to impose reduced penalties on taxpayers who undertake to correct their errors, and be compliant subsequently.

4 Qualifying Conditions for Reduced Penalties

4.1 A taxpayer may qualify for the reduced penalty treatment if the voluntary disclosure is timely, accurate, complete and self-initiated. The taxpayer must also:

(a) Cooperate fully with IRAS to correct the errors made; and

(b) Pay or make arrangements with IRAS to pay the additional taxes or amount exceeding the entitled cash payout / bonus, and the penalties imposed (if any), and honour such arrangements until all payments are made.

4.2 A voluntary disclosure is considered timely and self-initiated when it satisfies the following:

(a) It is made **before** a taxpayer receives a query from IRAS relating to his/her tax or cash payout / bonus matters; or

(b) It is made **before** a taxpayer receives notification from IRAS of the commencement of an audit or investigation of his/her tax or cash payout / bonus matters.

For a taxpayer who has already received a query or is under IRAS' audit or investigation, to qualify for reduced penalties, the errors or past actions that the taxpayer is disclosing must not be directly related to the scope of query, audit or investigation.

4.3 A VDP application will only be considered as complete when **ALL** information is submitted to IRAS (**Annex B** contains the information required).

4.4 IRAS runs periodic programmes, which leverage on mass mailers or other communication channels, to encourage taxpayers to make voluntary disclosures on specific issues. Such disclosures will qualify under the VDP provided that the disclosures are made within the specified time frames of the programmes and the qualifying conditions in this Section are satisfied.

4.5 Examples of qualifying voluntary disclosures and non-qualifying voluntary disclosures are in **Annex C** and **Annex D** respectively.

5 Reduced/ Waiver of Penalties

5.1 IRAS may impose penalties for incorrect or inaccurate returns/ forms submitted. To encourage voluntary disclosures of errors, IRAS is prepared to either impose reduced penalties or waive penalties on VDP cases, **if all qualifying conditions in Section 4 are met.** The reduced penalties[2] are as follows:

(a) Disclosure made within the 1-year 'grace period'[3] – Penalty will not be imposed;

(b) Disclosure made after the 1-year 'grace period' –

(i) Individual Income Tax and Corporate Tax: Reduced penalty is 5% of tax undercharged or of the amount of cash payout / bonus exceeding entitlement obtained, for each year (after the grace period) the error was late in being rectified;

(ii) Withholding Tax: Reduced penalty is a flat 5% of outstanding tax for a voluntary disclosure pertaining to a failure to notify IRAS of the tax withheld or to pay the tax required to IRAS; and

(iii) GST: Reduced penalty is a flat 5% of tax undercharged.

5.2 Stamp Duty – There is **no grace period** applicable to SD. For a voluntary disclosure pertaining to late stamping or underpayment of SD, the reduced penalty is 5% per annum computed on a daily basis on the SD payable.

5.3 GST – IRAS is prepared not to impose a penalty for the following businesses that make a voluntary disclosure:

(i) GST late registrants, provided the business voluntarily registers for GST

(ii) A non-GST-registered business that has collected GST on an unauthorised basis

5.4 Across corporate tax, GST and withholding tax, there are voluntary compliance initiatives where either an extended grace period or waiver of penalties are granted for the voluntary disclosure of prior years' tax errors:

[2] The reduced penalties may not apply to errors arising from wilful intent to evade taxes or to obtain higher amount of cash payout/ bonus. Please refer to Section 9 for details.

[3] 1 year from the statutory filing deadline and not the extended deadline (if any) given to a taxpayer - statutory filing deadlines for the various tax types are as follows:

- Individual Income Tax: 15 Apr
- Corporate Tax: 30 Nov
- GST: One month from the end of the accounting period covered by the GST return e.g. 30 Apr for accounting period from 1 Jan to 31 Mar
- Withholding Tax: 15th of the second month from the date of payment to non-resident

Corporate Tax and Withholding Tax	**Tax Governance Framework (TGF)** • A one-time extended grace period of **2 years** for errors voluntarily disclosed by the company within 2 years from the date of IRAS' approval of the company's TGF application. • See Section 6 for voluntary disclosures under the TGF. **Tax Risk Management and Control Framework for Corporate Income Tax (CTRM)** • A one-time waiver of penalties for voluntary disclosure of prior years' errors for businesses accorded the "CTRM status" • See Section 8 for voluntary disclosures under the CTRM.
Goods and Services Tax	**Tax Governance Framework (TGF)** • [GST-registered company accorded ACAP status] A one-time extended grace period of **3 years**[4] for errors voluntarily disclosed by the company within 2 years from the date of IRAS' approval of the company's TGF application. • [GST-registered company without ACAP status] A one-time extended grace period of **2 years** for errors voluntarily disclosed within 2 years from the date of IRAS' approval of the company's TGF application. • See Section 6 for voluntary disclosures under the TGF. **Assisted Compliance Assurance Programme (ACAP)** • For first conduct of ACAP, a one-time waiver of all penalties for non-fraudulent errors voluntarily disclosed[5]. • For ACAP renewal, a grace period of **1 year** for errors voluntarily disclosed from the statutory filing deadline for the last

[4] A longer extended grace period of 3 years is applicable for ACAP companies in recognition of the efforts expended for going through a rigorous review of their ACAP control framework as well as for putting in place a tax governance policy.
[5] The waiver of penalties under ACAP is subject to IRAS' periodic review of the ACAP.

	GST return of the ACAP renewal review year. • See Section 7 for voluntary disclosures under ACAP, ACAP Renewal, and Post-ACAP Review. **GST Assisted Self-help Kit (ASK)** • A grace period of **1 year** from the statutory filing deadline for the last GST return for the (i) financial year or (ii) 12-month period[6] reviewed for errors voluntarily disclosed. **Annex E** provides examples of the grace periods applicable to such businesses.

5.5 After being accorded the reduced penalty treatment under the VDP, a taxpayer must implement adequate and robust measures and controls to prevent a recurrence of similar errors.

[6] For ease of review, IRAS recommends that the ASK Annual Review be conducted based on businesses' financial year. Please refer to the e-tax guide: "GST: Assisted Self-Help Kit (ASK) Annual Review Guide" for more information on how to conduct the ASK Annual Review if the 12-month period selected for the review does not coincide with your financial year.

6 Voluntary Disclosure of Errors Under the TGF

Tax Governance Framework (TGF)

6.1 Companies approved under the TGF that voluntarily disclose errors within 2 years from the date of IRAS' approval of the TGF application will enjoy an extended grace period for voluntary disclosure:

(a) *Corporate Tax and Withholding Tax* – A one-time extended grace period of **2 years** for voluntary disclosure of corporate tax or withholding tax errors made[7].

(b) *GST* –

[For a GST-registered company accorded ACAP status]

- A one-time extended grace period of **3 years** for voluntary disclosure of GST errors[8].

[For a GST-registered company without ACAP status]

- A one-time extended grace period of **2 years** for voluntary disclosure of GST errors made.

6.2 To enjoy the extended grace period, the disclosure of errors must meet all the qualifying conditions for reduced penalties in Section 4. **Annex F** provides examples of grace period for voluntary disclosure of errors under the TGF.

[7] To utilise the benefits under the TGF for its voluntary disclosure of errors, the business is required to complete the "Form to utilise benefits granted under TGF" and submit it together with the voluntary disclosure. Details can also be found on the IRAS' webpage on "Tax Governance Framework (TGF)".

[8] The voluntary disclosure of errors can be made under Post ACAP Review, ACAP Renewal or the company's own GST review.

7 Voluntary Disclosure of Errors under the GST ACAP, ACAP Renewal and Post ACAP Review

7.1 A pre-requisite is that businesses must fulfill all the qualifying conditions in Section 4 to qualify for no penalties or reduced penalties described in the sections on ACAP below.

ACAP

7.2 GST errors made in ACAP period[9] and subsequent GST returns disclosed in ACAP Report

7.2.1 No penalty will be imposed[5] if the errors are disclosed within the 'ACAP grace period' i.e. by the ACAP Report due date stipulated by IRAS[10].

7.3 GST errors made prior to ACAP period disclosed in ACAP Report

7.3.1 A flat 5% penalty of tax undercharged will be imposed.

7.3.2 An exception will apply to businesses accorded with ACAP status **for the first ACAP Review conducted**. For the first ACAP Review conducted, the grace period for the errors made prior to the ACAP period is applicable till the ACAP Report due date[5]. This is given in recognition of a business' efforts to establish strong GST controls at Entity, Transaction and GST Reporting levels to manage GST risks and to ensure continual GST compliance.

7.3.3 No penalties will be imposed on GST errors made prior to the ACAP Period if all the following conditions are satisfied:

(a) The business submits the ACAP Report by the due date stipulated by IRAS;
(b) There is no fraudulent intent behind the errors made;
(c) ACAP status is accorded to the business for the first time; and
(d) Additional taxes are paid.

7.4 GST errors disclosed before ACAP participation

7.4.1 Errors disclosed during the preparatory stage of assessing a business' readiness to embark on ACAP may qualify for the penalty treatment in Sections 7.2.1, 7.3.2 and 7.3.3 if IRAS is notified of the ACAP participation within 6 months from:

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[9] ACAP Period is the 12-month review period for GST ACAP, which can either be:
(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.

[10] For example, for a business that has a quarterly filing cycle, IRAS accepts the business' GST ACAP application on 2 Mar 2022 and the stipulated due date for the submission of the ACAP Report is 1 Jun 2023. The ACAP Period selected by the business is the latest financial year, 1 Jan 2021 to 31 Dec 2021. The grace period for the disclosure of GST errors made from 1 Jan 2021 to 31 Mar 2023 is till 1 Jun 2023.

(a) The date of engagement of an external reviewer; or
(b) The date of commencement of an internal review.

ACAP Renewal

7.5 GST errors made in the returns filed for the 'review year' as disclosed in the ACAP Renewal Declaration

7.5.1 **No penalty will be imposed** on the GST errors made in the returns that were filed for the review year (i.e. the 12-month period of GST returns) selected for ACAP Renewal if the errors are disclosed **within 1 year** from the statutory filing date of the last return of the review year.

7.5.2 GST errors made in the returns that were filed for the review year selected for ACAP Renewal but disclosed **after 1 year** from the statutory filing date of the last return of the review year will qualify for **reduced penalties** in Section 5.1.

7.6 GST errors made in returns filed for periods outside the 'review year'

7.6.1 GST errors made in returns filed for periods outside the 'review year' will qualify for **waiver of penalties or reduced penalties** in Section 5.1.

7.6.2 Businesses may refer to the e-Tax Guide "GST: Renewal of Assisted Compliance Assurance Programme (ACAP) Status" for illustration of the grace periods for ACAP renewal review.

Post ACAP Review

7.7 GST errors disclosed in the Post ACAP Review

7.7.1 GST errors disclosed in the GST F28 (Post ACAP Review Declaration) will qualify for waiver of penalties or reduced penalties in Section 5.1.

7.7.2 For businesses that have adopted the GST ASK Annual Review methodology for the Post ACAP Review, the grace period under ASK in Section 5.4 will not apply. All errors disclosed in the Post ACAP Review will be subject to the grace period of 1 year from the statutory filing deadline of the GST return specified in Section 5.1.

8 Voluntary Disclosure of Errors Under the Tax Risk Management and Control Framework for Corporate Income Tax (CTRM)

8.1 Companies awarded the CTRM status will enjoy a one-time waiver of penalties for voluntary disclosure of prior years' corporate tax or withholding tax errors[11]. For these benefits to apply, a pre-requisite is that the disclosure of errors must meet all the qualifying conditions in Section 4.

8.2 For errors disclosed during the CTRM process and in the Report on Findings by CTRM Reviewer, the date of the disclosure of these errors is deemed to be the date of award of the CTRM Status, and the one-time waiver of penalties would be applied to these errors.

8.3 The one-time waiver of penalties is to be utilised within 3 years from the date IRAS awards the CTRM Status to the company. If companies do not utilise the one-time waiver of penalties for corporate tax and/or withholding tax in these 3 years, the benefit may be carried forward for a further 3 years upon successful renewal of the CTRM Status (capped at a total of 6 years). **Annex G** provides examples of grace period for voluntary disclosure of errors under the CTRM.

[11] To utilise the benefits under CTRM for voluntary disclosures of Corporate Tax and/or Withholding Tax errors after the award of the CTRM Status, businesses are required to complete the "Form for Voluntary Disclosure of Errors under the CTRM". Details can also be found on the IRAS' webpage "Tax Risk Management & Control Framework for Corporate Income Tax (CTRM)".

9 Voluntary Disclosure of Past Actions Involving Wilful Intent to Evade Taxes or to Obtain a Higher Amount of Cash Payout / Bonus than Entitled to

9.1 IRAS treats cases arising from wilful intent to evade taxes or to obtain excessive cash payouts, differently from cases arising from ignorance or negligence. Taxpayers can refer to **Annex A** for the guidelines used by IRAS to differentiate such cases.

9.2 In general, taxpayers who commit offences with wilful intent to evade taxes or to obtain excessive cash payouts (including persons who assist in such acts), may face prosecution, and be jailed up to 7 years and/ or fined up to $50,000, and penalised up to 400% of tax undercharged/ unpaid.

9.3 However, taxpayers who come forward and voluntarily disclose such past acts may be accorded the treatment of having their offences compounded at a reduced penalty rate of 200% in lieu of prosecution. In the event that taxpayers do not qualify for the VDP treatment, IRAS may charge the taxpayers in court for their tax evasion offences.

9.4 The above treatment applies to Income Tax, Withholding Tax and GST.

10 Contact Information

10.1 To qualify for the reduced penalties under the VDP, taxpayers must submit the information outlined in **Annex B**. IRAS will not accept a VDP application with incomplete information.

10.2 Taxpayers can make a voluntary disclosure to IRAS via the following modes:

Tax Type	How to Inform IRAS
Individual Income Tax	**For Self-employed and Partnerships** Self-employed persons, precedent partners of partnership or tax agents making a voluntary disclosure to correct the errors made on their own past tax filings or on behalf of their clients may make the voluntary disclosure by completing this form. The required information and supporting documentation are in **Annex B**. **For all individuals excluding self-employed persons and partners of partnerships** Email the required information and supporting documentation (**Annex B**) by logging in to myTaxPortal: • Under "Email Us (myTax Mail), select "Compose Mail" • Under "Category", select "Individuals" and your most relevant profile

	• Under "Subject", select "Voluntary Disclosure of Errors" • Under "Message", provide the details of errors made Tax agents / employers making a voluntary disclosure of errors for their clients / employees may disclose the errors by completing this form.
Corporate Tax[12]	• Make the voluntary disclosure via the "Revise/Object to Assessment" e-Service at my Tax Portal (recommended) and receive an instant acknowledgement. You may also receive the revised Notice of Assessment earlier. • Email required information and supporting documentation (**Annex B**) to ctmail@iras.gov.sg
GST[12]	Send an electronic request to IRAS for GST F7 (Disclosure of Errors on GST Return) and e-File the GST F7 at any time, up to 14 days from the date of request for the GST F7[13] For GST late registrants, register for GST online at myTax Portal For unauthorised GST collections, or disclosure of input tax claimed on any supply that was a part of a Missing Trader Fraud arrangement, email gst@iras.gov.sg.
Withholding Tax[12]	Submit S45 VDP application here
Stamp Duty	Stamp document via the e-Stamping system

For voluntary disclosures of past actions involving wilful intent to evade taxes or obtain excessive cash payouts, taxpayers may email IRAS at ifd@iras.gov.sg.

10.3 Alternatively, instead of emailing IRAS, taxpayers can write in to:

Inland Revenue Authority of Singapore

55 Newton Road

Revenue House

Singapore 307987

[12] To utilise the benefits under TGF for voluntary disclosures of Corporate Tax, GST and/or Withholding Tax errors discovered, businesses are required to complete the "Form to utilise benefits granted under TGF" and submit it together with their voluntary disclosures of the errors. To utilise the benefits under CTRM for voluntary disclosures of Corporate Tax and/or Withholding Tax errors, businesses are required to complete the form "Form for Voluntary Disclosure of Errors under the CTRM". These forms can be downloaded from the IRAS website.

[13] For GST errors discovered during the GST ASK Annual Review, submit "ASK: Declaration Form on Completing Annual Review & Voluntary Disclosure of Errors" that can be downloaded from the IRAS website. Businesses under GST ACAP can disclose their GST errors in the ACAP Report (please see Section 7 for more details).

10.4 For more information on the VDP, please visit IRAS' website at www.iras.gov.sg.

10.5 **Annex H** summarises the reduced penalty treatment for qualifying voluntary disclosures vis-à-vis the penalty treatment for all other disclosures.

11 Updates and Amendments

S/n	Date of amendment	Amendments made
1	6 May 2015	a) The e-Tax guide was amended to increase clarity that voluntary disclosures relating to cash payouts / bonus are within the scope of the Voluntary Disclosure Programme. b) Section 6 has been amended to enhance the clarity of IRAS' treatment of GST errors disclosed in the ACAP Annual Review. c) Editorial changes were made to enhance the clarity of IRAS' treatment towards voluntary disclosures.
2	18 Dec 2015	a) Editorial changes were made to update the naming change from "ACAP Annual Review" (AAR) to "Post ACAP Review" (PAR)
3	1 Jul 2016	a) Section 6.4 has been added to clarify IRAS' treatment of GST errors disclosed in the ACAP Renewal.
4	24 Jul 2017	a) Editorial changes were made to Section 8.2 to update the mode for Corporate Tax and GST taxpayers to make voluntary disclosures to IRAS.
5	22 Feb 2018	a) Editorial changes were made to Sections 5.3.2 and 8.2 to update the mode of GST registration for late GST registrants.
6	2 Apr 2018	a) Changes were made to Section 6.3.2(a) to update the notification date for businesses to embark on their first ACAP review in order to qualify for the treatment described in Sections 6.2.2 and 6.2.3.
7	3 Dec 2018	a) Changes were made to Section 5.3.1 to allow a taxpayer to enjoy the longer grace period for disclosure of errors if he selected a 12-month period for ASK Annual Review that does not coincide with his financial year. b) Changes were made to Annex C to update the example on the grace period that is applicable to

		such taxpayers as well as to make the examples more current.
8	13 Jan 2020	a) Editorial changes were made to Section 8.2 to update the mode for taxpayers to make voluntary disclosures in relation to withholding tax to IRAS.
9	28 Apr 2022	a) Changes were made to Section 2.1 to align the citation of the Income Tax Act with the changes introduced under the 2020 Revised Edition of Acts that came into force on 31 December 2021. b) Editorial changes were made to Section 8.2 to update the modes for Income Tax and GST taxpayers to make voluntary disclosures to IRAS.
10	5 Jan 2024	a) Editorial changes were made to Section 5 to make clear that meeting all the qualifying conditions in Section 4 is a pre-requisite to enjoying reduced or waiver of penalties, and to present the voluntary compliance initiatives applicable to the tax type. b) Section 7.3.3 (a) was added to reflect the condition that the business must submit the ACAP Report by the due date stipulated by IRAS to enjoy a one-time waiver of penalties under the first conduct of ACAP. c) New sections 6 and 8 were added to reflect voluntary disclosures under the Tax Governance Framework (TGF) and the Tax Risk Management and Control Framework for Corporate Income Tax (CTRM) respectively. d) Dates for the grace periods applicable to GST-registered businesses under ASK Annual Review were updated in the illustrative example in Annex E. e) Annex F “Examples of grace period for voluntary disclosure of errors under TGF” and Annex G “Examples of grace period for voluntary disclosure of errors under CTRM” were added.
11	19 Jun 2025	a) Updates to the Form SG links and edits made for brevity.

Annex A: Guidelines to Distinguish Cases Involving Wilful Intent to Evade Taxes or to Obtain Higher Amount of Cash Payout / Bonus than Entitled to

1. Generally, an action involving the wilful intent to evade taxes or to obtain excessive cash payouts has two elements:
   (a) An act such as:
      (i) Omitting any income which should be included in an income tax return;
      (ii) Understating output tax in a GST return;
      (iii) Overstating input tax in a GST return;
      (iv) Making a false entry in an income tax return;
      (v) Giving a false answer to the Comptroller of Income Tax;
      (vi) Giving a false answer to the Comptroller of GST;
      (vii) Preparing false books of accounts or records;
      (viii) Giving false information in a claim or an entry in a form to obtain a higheramount of cash payout / bonus than entitled to;
   (b) Knowledge that the act will lead to lower tax liabilities and / or excess tax refunds.

2. Both elements i.e. the “act” and “knowledge” must be present to constitute an action involving wilful intent to evade taxes. This means that the “act” is done deliberately and intentionally toevade taxes and the mind of the person who performs the “act” goes with it.

3. Examples of actions involving wilful intent to evade taxes:

   (a) Taxpayer only declared sales via cheque, NETS and credit card, but not cash sales;
   (b) Taxpayer chose to report an estimated income which was lower than the income in the financial statements, even though proper financial statements were prepared;
   (c) Taxpayer claimed high input tax despite knowing that its business did not incur theinput tax;
   (d) Taxpayer did not charge GST on some sales and subsequently excluded such sales from the sale figures reported in the income tax returns;
   (e) Taxpayer falsified the accounts and records to reflect non tax-deductible expensesas tax-deductible expenses;
   (f) Taxpayer asked suppliers to bill it for non-existent services and claimed such falsified expenses in its tax returns;
   (g) Taxpayer prepared two sets of accounts, one true copy for personal use to monitorthe status of its business, and another copy for IRAS;
   (h) Taxpayer falsified accounting documents such as invoices (e.g. fictitious purchaseinvoices) to reduce its business’ gross profit or to claim inflated input tax.

4. Please note that the above examples are meant to provide guidance and are not intended to be exhaustive.

Annex B: Information Required for Making a Voluntary Disclosure

1. Applicant's[14] name, identification number (NRIC/Passport/FIN), address, contact numberand email address

2. For businesses/companies, business'/ company's name, identification number and address[15]

3. Details of voluntary disclosure[16]:
   (a) Tax type;
   (b) Relevant assessment periods; and
   (c) Description of voluntary disclosure (e.g. previously omitted employment income of $X) *[supporting documentation should be provided if available e.g. salary slips]*

4. Circumstances under which error(s) voluntarily disclosed was / were uncovered

5. Details of controls that is put in place / will be put in place to prevent recurrence of similar error(s), including date of implementation of controls *[supporting documentation should be provided if available[17]]*

6. Confirmation that:

   (a) The voluntary disclosure is not directly related to the scope of the ongoing query,audit or investigation;
   (b) To the best of applicant's knowledge, the voluntary disclosure is complete and accurate;
   (c) Applicant will cooperate fully with IRAS to correct the error(s) made;
   (d) Any additional taxes, amount exceeding cash payout / bonus than entitled to andpenalties arising from the voluntary disclosure will be paid; and
   (e) The controls (detailed in item no. 5) to prevent the recurrence of similar error(s)have been or will be put in place.

<u>Please note that:</u>

(i) All information listed above and supporting documentation has to be provided to IRAS when making a voluntary disclosure. If you need more time to provide all the

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[14] For a voluntary disclosure on a company's / business' tax affairs, the applicant should be the Managing Director / Chief Executive Officer / Precedent Partner / Sole Proprietor, or any officer duly authorised by the Managing Director / Chief Executive Officer / Precedent Partner / Sole Proprietor. "Duly authorised" means that a letter of authority has to be submitted to IRAS.

[15] Such information is to be provided if the voluntary disclosure pertains to a business'/ company's tax affairs.

[16] Such information is to be provided if the voluntary disclosure relates to Individual Income Tax or Corporate Income Tax. For Withholding Tax, the applicant should e-File the relevant Withholding Tax records in myTaxPortal and make payment (if applicable), before submitting the S45 VDP application here.

[17] For example, a control that could be put in place is the purchase and installation of accounting software, with the supporting documentation being e.g. receipt showing purchase and installation of software.

required information and supporting documentation, please let IRAS know the additional time required[18] and the reasons for needing more time. If IRAS is agreeable to your request for additional time, all information and supporting documentation have to be submitted to IRAS by the agreed upon deadline otherwise, the VDP application will be invalid; and

(ii) *The applicant is required to sign off on and date the VDP application.*

[18] Additional time required should not be more than 3 months from the date of the VDP application.

Annex C: Examples of Qualifying Voluntary Disclosures

Scenario 1:

Taxpayer informed IRAS that he omitted income due to negligence after reading about IRAS' compliance focus in the media. He made an accurate and complete disclosure before the agreed upon deadline with IRAS. He cooperated fully with IRAS to correct the errors and subsequently paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**Yes.** Taxpayer has fulfilled all the qualifying conditions.

Scenario 2:

Taxpayer filed a GST F7 (Disclosure of Errors on GST Return) to disclose output tax errors for a specified accounting period although his purchases and input tax for same accounting period were being audited by IRAS. He made an accurate and complete disclosure before the agreed upon deadline with IRAS. He cooperated fully with IRAS to correct the errors and subsequently paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**Yes.** The voluntary disclosure is not directly related to IRAS' audit on input tax.

Scenario 3:

Taxpayer filed a GST F7 to disclose input tax errors that were not uncovered during a previous audit by IRAS. The errors relate to the same period that was audited. He made an accurate and complete disclosure before the agreed upon deadline with IRAS. He cooperated fully with IRAS to correct the errors and subsequently paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**Yes.** The voluntary disclosure is not directly related to the scope of an ongoing query, audit or investigation.

Scenario 4:

Taxpayer is a minority shareholder of X Pte Ltd and the sole proprietor of Y. While IRAS was auditing Y, X Pte Ltd came forward to disclose that it had omitted income. Taxpayer made an accurate and complete disclosure before the agreed upon deadline with IRAS. He cooperated fully with IRAS to correct the errors and subsequently paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**Yes.** Taxpayer has fulfilled all the qualified conditions.

Scenario 5:

While being audited by IRAS in respect of his GST input tax claims, Taxpayer informed IRAS that he had previously failed to notify that he had withheld tax on royalties paid to a non-resident. He made an accurate and complete disclosure before the agreed upon deadline with IRAS. He cooperated fully with IRAS to correct the errors and subsequently paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**Yes.** The voluntary disclosure pertaining to Withholding Tax is not directly related to the scope of IRAS' audit on taxpayers' GST matters.

Annex D: Examples of Non-Qualifying Voluntary Disclosures

Scenario 1:

Taxpayer informed IRAS that he had omitted income due to negligence after reading about IRAS' compliance focus in the media. However, he failed to provide a complete set of documents to determine the actual amount of the income omitted by the agreed upon deadline with IRAS. He subsequently cooperated fully with IRAS to correct errors and paid the additional taxes and penalties imposed.

Was the disclosure timely, accurate, complete and self-initiated?	No
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**No.** Although he cooperated fully with IRAS to correct errors and paid additional taxes and penalties involved, he had failed to make a complete disclosure.

Scenario 2:

Taxpayer submitted an accurate and complete disclosure that he had omitted partnership income. His business partner is currently under IRAS' investigation for omitting his share of income from the partnership with the taxpayer.

Was the disclosure timely, accurate, complete and self-initiated?	No
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**No.** Although the taxpayer submitted an accurate and complete disclosure, it does not qualify for reduced penalty as IRAS has initiated an investigation on the partnership which is directly related to the taxpayer's voluntary disclosure.

Scenario 3:

Taxpayer filed a GST F7 (Disclosure of Errors on GST Returns) to disclose input tax errors. He had not received a query from IRAS and was not under any ongoing IRAS' audit or investigation. Although he submitted a disclosure by the agreed upon deadline, he did not respond to IRAS' query to determine the actual amount of errors involved, even after several reminders.

Was the disclosure timely, accurate, complete and self-initiated?	No. He did not submit a complete disclosure.
Did the taxpayer cooperate fully with IRAS to correct errors?	No
Did the taxpayer honour payment arrangements till all payments were made?	Yes
Does the voluntary disclosure qualify for reduced penalty?	**No.** Even if he subsequently paid the additional taxes and penalties involved, he had failed to cooperate fully with IRAS to make an accurate and complete disclosure.

Scenario 4:

Taxpayer informed IRAS that he did not account for output tax on supplies made to a customer. Subsequently, he submitted an accurate and complete disclosure by the agreed upon deadline but failed to honour payment arrangements to pay additional taxes and penalties imposed.

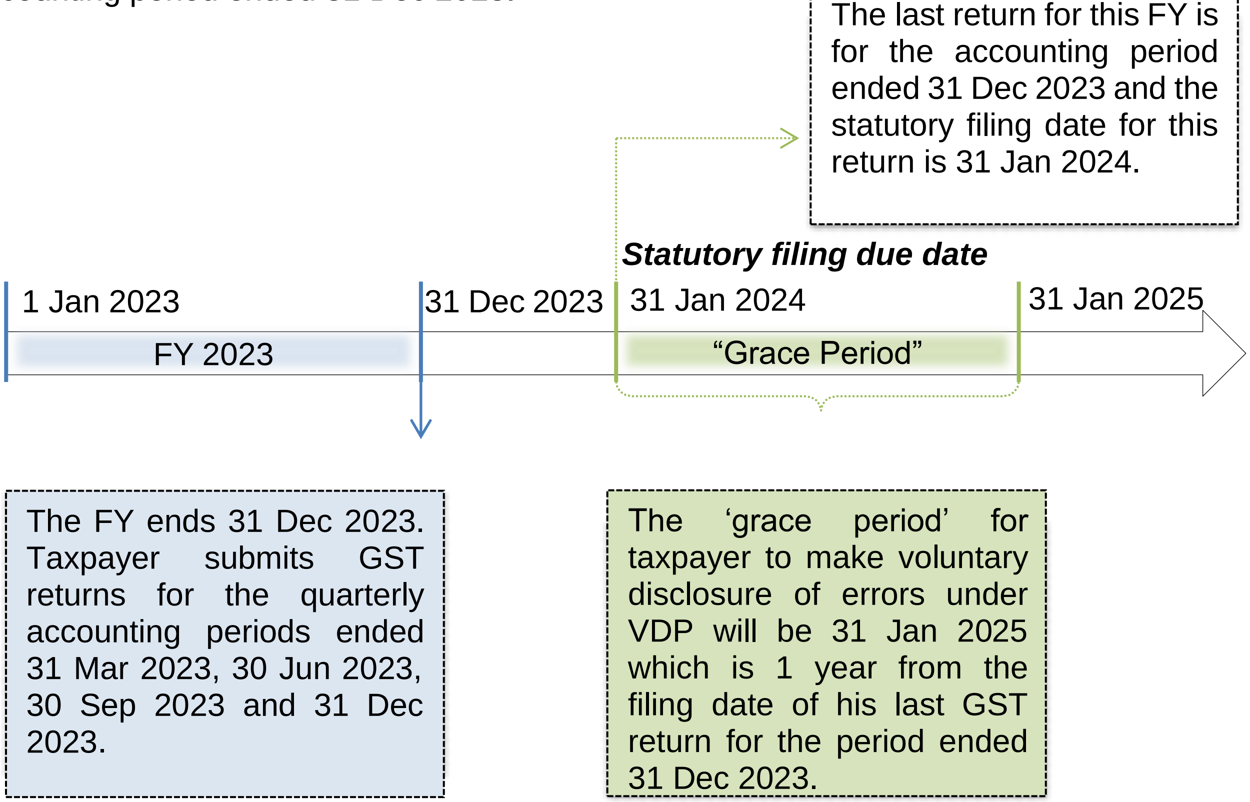
Was the disclosure timely, accurate, complete and self-initiated?	Yes
Did the taxpayer cooperate fully with IRAS to correct errors?	Yes
Did the taxpayer honour payment arrangements till all payments were made?	No
Does the voluntary disclosure qualify for reduced penalty?	**No.** He did not honour the payment arrangements till all payments were made.

Annex E: Examples of Grace Periods Applicable to GST-Registered Businesses under ASK Annual Review

Scenario 1: Period of review coincides with financial year

Assume taxpayer's financial year is from 1 Jan 2023 to 31 Dec 2023 and he submits GST returns for the quarterly accounting periods ended 31 Mar 2023, 30 Jun 2023, 30 Sep 2023 and 31 Dec 2023. Hence, his last return for this financial year is for the accounting period ended 31 Dec 2023 and the statutory filing date for this return is 31 Jan 2024.

If taxpayer conducts ASK Annual Review on his GST returns for the above accounting periods, the 'grace period' for him to make voluntary disclosure of errors under VDP will be 31 Jan 2025 which is 1 year from the statutory filing date of his GST return for the accounting period ended 31 Dec 2023.



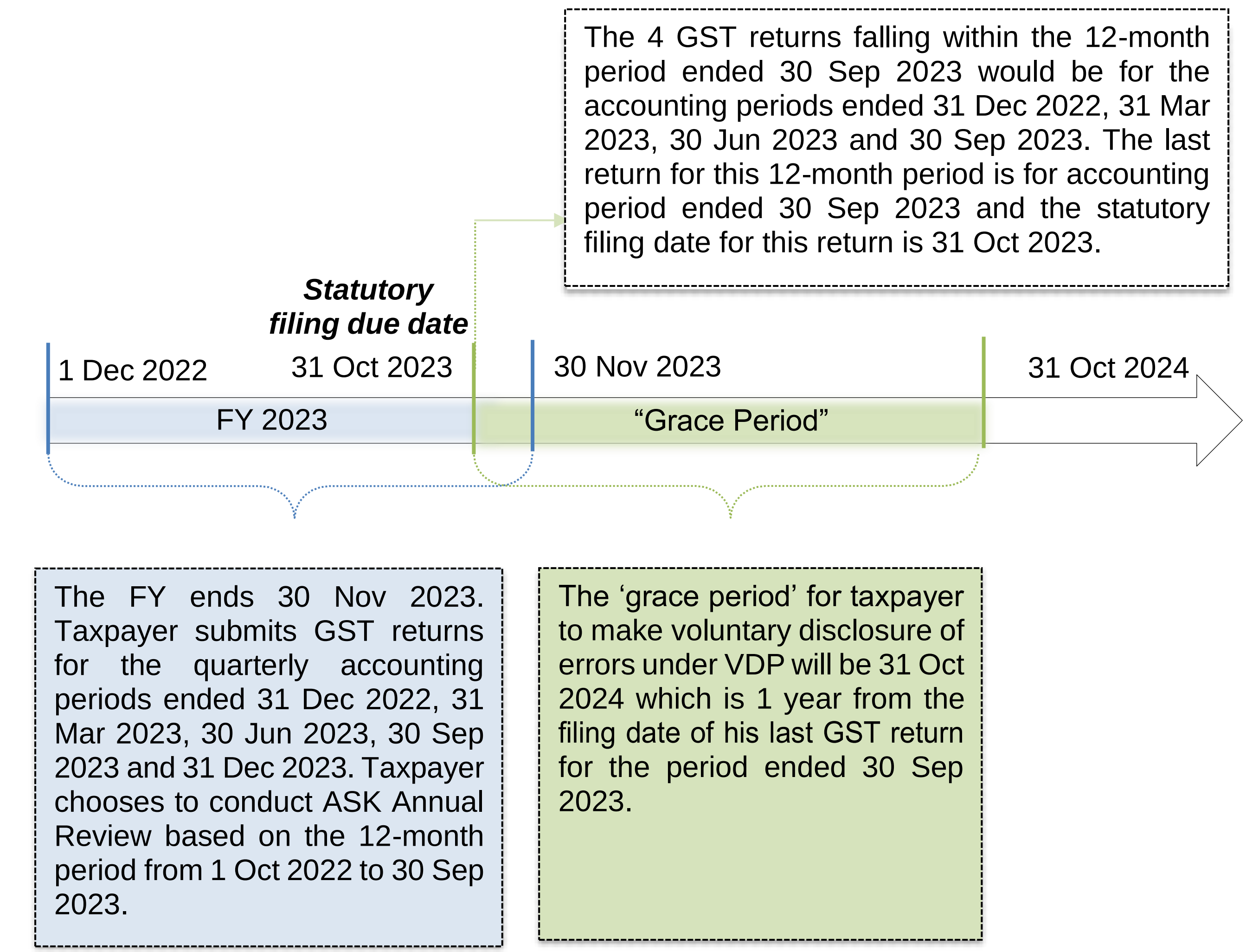
Annex E: Examples of Grace Periods Applicable to GST-Registered Businesses under ASK Annual Review

Scenario 2: Period of review does not coincide with financial year

Assume that the taxpayer's financial year is from 1 Dec 2022 to 30 Nov 2023 and he submits GST returns for the quarterly accounting periods ended 31 Dec 2022, 31 Mar 2023, 30 Jun 2023, 30 Sep 2023 and 31 Dec 2023.

If taxpayer chooses to conduct ASK Annual Review based on the 12-month period from 1 Oct 2022 to 30 Sep 2023, the 4 GST returns falling within the 12-month period would be for the accounting periods ended 31 Dec 2022, 31 Mar 2023, 30 Jun 2023 and 30 Sep 2023. So, his last return for this 12-month period is for the accounting period ended 30 Sep 2023 and the statutory filing date for this return is 31 Oct 2023.

Hence, the grace period for him to make voluntary disclosure of errors under VDP will be 31 Oct 2024.



Annex F: Examples of grace period for voluntary disclosure of errors under Tax Governance Framework (TGF)

Part I: Example for Goods and Services Tax (GST)

2-years grace period (for TGF companies not under ACAP)

If the company's TGF application is approved on 1 Apr 2022, it can enjoy a one-time extended grace period of 2 years for GST errors voluntarily disclosed between **1 Apr 2022 and 31 Mar 2024** (i.e. within 2 years from the approval date).

<table>
<tr><th colspan="3">Example: Assume that GST returns are filed on a quarterly basis (Mar, Jun, Sep and Dec) and the company makes a voluntary disclosure of GST errors on 31 Dec 2022, which is within 2 years from the TGF approval date</th></tr>
<tr><th>Errors made in Prescribed Accounting Period(s)</th><th>End date of 2-year grace period</th><th>Qualify for waiver of penalties?</th></tr>
<tr><td>31 Mar 2020</td><td>30 Apr 2022</td><td rowspan="3">No.
5% penalties imposed.</td></tr>
<tr><td>30 Jun 2020</td><td>31 Jul 2022</td></tr>
<tr><td>30 Sep 2020</td><td>31 Oct 2022</td></tr>
<tr><td>31 Dec 2020</td><td>31 Jan 2023</td><td rowspan="4">Yes.
5% penalties waived under the 2-years extended grace period.</td></tr>
<tr><td>31 Mar 2021</td><td>30 Apr 2023</td></tr>
<tr><td>30 Jun 2021</td><td>31 Jul 2023</td></tr>
<tr><td>30 Sep 2021</td><td>31 Oct 2023</td></tr>
</table>

3-years grace period (for TGF companies under ACAP)

ACAP companies that were approved under the TGF can enjoy a one-time extended grace period of 3 years for GST errors voluntarily disclosed to IRAS within 2 years from the date of submission of the declaration form. This is applicable to voluntary disclosure made under ACAP renewal review, PAR review or other GST reviews performed. The benefit can only be utilised one-time for one of the reviews.

Example for voluntary disclosure of errors during ACAP Renewal

Example:

1. The ACAP company is accorded ACAP Premium status from **1 Oct 2018 to 30 Sep 2023**. The ACAP renewal report is due by **31 Dec 2023** (i.e. 3 months after expiry of the ACAP status) and the ACAP Renewal report is submitted by the company on 31 Dec 2023;
2. The 12-month review year selected is **1 Jan 2022 to 31 Dec 2022**; and
3. The company's TGF application is approved on **1 Sep 2023** (i.e. before the ACAP renewal submission due date).

Errors made in Prescribed Accounting Period(s) ending	End Date of 3-years Grace Period	Submission of ACAP Renewal Report on 31 Dec 2023
31 Dec 2020	31 Jan 2024	5% penalties waived under the extended 3-years grace period
31 Mar 2021	30 Apr 2024	
30 Jun 2021	31 Jul 2024	
30 Sep 2021	31 Oct 2024	
31 Dec 2021	31 Jan 2025	
1 Jan 2022 to 31 Dec 2022 (ACAP Renewal review year)	31 Jan 2026	
31 Mar 2023	30 Apr 2026	

Example for voluntary disclosure of errors during Post ACAP Review "PAR"

Example:

1. The ACAP company is accorded ACAP Premium status on **1 Jul 2022**. The first PAR is due by **31 Dec 2023** (i.e. 18 months from the date of accord of ACAP status) and the company submits the PAR report on 31 Dec 2023; and
2. Its TGF application is approved on **1 Sep 2023** (i.e. before the PAR submission due date).

Errors made in Prescribed Accounting Period(s) ending	**End Date of 3-year Grace Period**	**Submission of PAR Report on 31 Dec 2023**
31 Dec 2020	31 Jan 2024	5% penalties waived under the extended 3-years grace period
31 Mar 2021	30 Apr 2024	
30 Jun 2021	31 Jul 2024	
30 Sep 2021	31 Oct 2024	
31 Dec 2021	31 Jan 2025	
31 Mar 2022	30 Apr 2025	
30 Jun 2022	31 Jul 2025	
30 Sep 2022	31 Oct 2025	
31 Dec 2022	31 Jan 2026	
31 Mar 2023	30 Apr 2026	

Part II: Example for Corporate Income Tax (CIT)

Example of voluntary disclosure with 2-years grace period

If the company's TGF application is approved on **1 Sep 2023**, it can enjoy a one-time extended grace period of 2 years if it makes a voluntary disclosure of CIT errors between **1 Sep 2023 and 31 Aug 2025** (i.e. within 2 years from the approval date). The extended grace period and penalty rates are illustrated below:

YA that the error relates to	**Filing due date[19]**	**Time period**					
		1 Dec 2019 – 30 Nov 2020	**1 Dec 2020 – 30 Nov 2021**	**1 Dec 2021 – 30 Nov 2022**	**1 Dec 2022 – 30 Nov 2023**	**1 Dec 2023 – 30 Nov 2024**	**1 Dec 2024 – 30 Nov 2025**
2019	30 Nov 2019	**Grace period[20]**		5%	10%	**1 Dec 2023 – 31 Dec 2023[21]** 15%	
2020	30 Nov 2020		**Grace period**		5%	10%	**1 Dec 2024 – 31 Dec 2024[22]** 15%
2021	30 Nov 2021			**Grace period**		5%	10%
2022	30 Nov 2022				**Grace period**		5%

19 For illustration purposes, the filing due date of Paper Form C/Form C-S (i.e. 30 Nov of each year) is used.

20 A 2-year grace period from the statutory filing deadline of the income tax return applies and the penalty rates are adjusted accordingly in view of the additional year of grace period granted.

21 YA 2019 assessment will be time-barred by 31 Dec 2023.

22 YA 2020 assessment will be time-barred by 31 Dec 2024.

2023	30 Nov 2023					**Grace period**

If the above company makes a voluntary disclosure of errors in Oct 2023, where the errors relate to YA 2019, YA 2021 and YA 2022, the relevant penalty rates would be as follows:

- Errors relating to YA 2019 – 10%
- Errors relating to YA 2021 – no penalty (within grace period)
- Errors relating to YA 2022 – no penalty (within grace period)

Part III: Example for Withholding Tax (WHT)

Example of voluntary disclosure with 2-years grace period

If the company's TGF application is approved on **1 Sep 2023**, it can enjoy a one-time extended grace period of 2 years for voluntary disclosure of WHT errors made between **1 Sep 2023 and 31 Aug 2025** (i.e. within 2 years from the declaration form submission date).

<table>
<tr><th rowspan="2">Date of payment to non-resident</th><th rowspan="2">Payer needs to file and pay by</th><th colspan="2">(a) Voluntary Disclosure made on 30 Jun 2023 (i.e. before approval of TGF application)

- 1-year grace period applies</th><th colspan="2">(b) Voluntary Disclosure made on 1 Oct 2023 (i.e. after approval of TGF application)

- 2-years grace period applies</th><th colspan="2">(c) Voluntary Disclosure made on 1 Sep 2025 (i.e. more than 2 years after approval of TGF application)

- 1-year grace period applies</th></tr>
<tr><th>End of 1-year grace period</th><th>Qualify for waiver?</th><th>End of 2-years grace period</th><th>Qualify for waiver?</th><th>End of 1-year grace period</th><th>Qualify for waiver?</th></tr>
<tr><td>1 Jan 2021</td><td>15 Mar 2021</td><td>15 Mar 2022</td><td rowspan="3">No, impose flat 5% penalty</td><td>15 Mar 2023</td><td rowspan="2">No, impose flat 5% penalty</td><td>15 Mar 2022</td><td rowspan="4">No, impose flat 5% penalty</td></tr>
<tr><td>1 Jun 2021</td><td>15 Aug 2021</td><td>15 Aug 2022</td><td>15 Aug 2023</td><td>15 Aug 2022</td></tr>
<tr><td>1 Jan 2022</td><td>15 Mar 2022</td><td>15 Mar 2023</td><td>15 Mar 2024</td><td rowspan="2">Yes</td><td>15 Mar 2023</td></tr>
<tr><td>1 Jun 2022</td><td>15 Aug 2022</td><td>15 Aug 2023</td><td>Yes</td><td>15 Aug 2024</td><td>15 Aug 2023</td></tr>
</table>

Annex G: Examples of grace period for voluntary disclosure of errors under the Tax Risk Management and Control Framework for Corporate Income Tax (CTRM)

Part I: Example for CIT

<u>One-time waiver of penalties for CIT errors</u>

If the company is accorded the CTRM Status on **1 Sep 2023**, it can enjoy a one-time waiver of penalties for CIT errors disclosed between **1 Sep 2023 and 31 Aug 2026** (i.e. within 3 years from the award of the CTRM Status), regardless of the YA(s) to which the voluntary disclosure relates to.

<table>
<tr><th rowspan="2">YA that the error relates to</th><th rowspan="2">Filing due date[23]</th><th colspan="5">Period in which voluntary disclosure was made</th></tr>
<tr><th>1 Dec 2019 – 30 Nov 2020</th><th>1 Dec 2020 – 30 Nov 2021</th><th>1 Dec 2021 – 30 Nov 2022</th><th>1 Dec 2022 – 30 Aug 2023</th><th>1 Sep 2023 – 31 Aug 2026</th></tr>
<tr><td>2019</td><td>30 Nov 2019</td><td>Grace period</td><td>5%</td><td>10%</td><td>15%</td><td rowspan="5">One-time waiver of penalties applies</td></tr>
<tr><td>2020</td><td>30 Nov 2020</td><td></td><td>Grace period</td><td>5%</td><td>10%</td></tr>
<tr><td>2021</td><td>30 Nov 2021</td><td></td><td></td><td>Grace period</td><td>5%</td></tr>
<tr><td>2022</td><td>30 Nov 2022</td><td></td><td></td><td></td><td>Grace period</td></tr>
<tr><td>2023</td><td>30 Nov 2023</td><td></td><td></td><td></td><td></td></tr>
</table>

[23] For illustration purposes, the filing due date of Paper Form C/Form C-S (i.e. 30 Nov of each year) is used.

Part II: Example for WHT

<u>One-time waiver of penalties for WHT errors</u>

If the company is accorded the CTRM Status on **1 Sep 2023**, it can enjoy a one-time waiver of penalties for CIT errors disclosed between **1 Sep 2023 and 31 Aug 2026** (i.e. within 3 years from the award of the CTRM Status), regardless of the YA(s) to which the voluntary disclosure relates to.

<table>
<tr><th rowspan="2">Date of payment to non-resident</th><th rowspan="2">Payer need to file and pay by</th><th colspan="2">(a) Voluntary Disclosure made on 30 Jun 2023 (i.e. before approval of CTRM application)

- 1-year grace period applies</th><th>(b) Voluntary Disclosure made on 1 Oct 2023 (i.e. after approval of CTRM application)</th></tr>
<tr><th>End of 1-year grace period</th><th>Qualify for waiver?</th><th>Qualify for waiver?</th></tr>
<tr><td>1 Jan 2021</td><td>15 Mar 2021</td><td>15 Mar 2022</td><td rowspan="3">No, impose flat 5% penalty</td><td rowspan="4">Yes. A one-time waiver of penalties applies.</td></tr>
<tr><td>1 Jun 2021</td><td>15 Aug 2021</td><td>15 Aug 2022</td></tr>
<tr><td>1 Jan 2022</td><td>15 Mar 2022</td><td>15 Mar 2023</td></tr>
<tr><td>1 Jun 2022</td><td>15 Aug 2022</td><td>15 Aug 2023</td><td>Yes</td></tr>
</table>

Annex H: Penalty Treatment for Qualifying Voluntary Disclosures Vis-à-vis All Other Disclosures

Please note that the information below does not apply to errors arising from wilful intent to evade taxes or to obtain excessive cash payouts.

Income Tax

	During Grace Period	After Grace Period
Voluntary disclosures which qualify under IRAS' VDP	0%	5% of the tax undercharged or of the amount of cash payout / bonus exceeding entitlement obtained for each year (after the grace period) it was late in being rectified
All other disclosures	Up to 200% of the tax undercharged or of the amount of cash payout / bonus exceeding entitlement obtained	

GST

	During Grace Period	After Grace Period
Voluntary disclosures which qualify under IRAS' VDP	0%	Flat 5% of the tax undercharged [not applicable to GST ACAP disclosures covered in Section 6]
All other disclosures	Up to 200% of the tax undercharged	

Withholding Tax

	During Grace Period	After Grace Period
Voluntary disclosures which qualify under IRAS' VDP	0%	Flat 5%
All other disclosures	Up to 20% of the outstanding tax	

SD[24]

	During Grace Period	After Grace Period
Voluntary disclosures which qualify under IRAS' VDP	5% per annum on the additional SD payable [computed on a daily basis]	
All other disclosures	Up to 4 times of the additional SD payable	

[24] There is no grace period applicable to SD.

Glossary

ACAP	Assisted Compliance Assurance Programme
ASK	Assisted Self-help Kit
CTRM	Tax Risk Management and Control Framework for Corporate Income Tax
GST	Goods and Services Tax
FY	Financial Year
IRAS	Inland Revenue Authority of Singapore
SD	Stamp Duty
TGF	Tax Governance Framework
VDP	Voluntary Disclosure Programme