



INLAND REVENUE  
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# IRAS e-Tax Guide

## GST: Taxing imported low-value goods by way of the overseas vendor registration regime (Second Edition)

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## **1 Aim**

- 1.1 The Minister for Finance announced in Budget 2021 that GST will apply to imported low-value goods in respect of business-to-consumer ("B2C") transactions by way of extending the overseas vendor registration regime with effect from 1 Jan 2023. This will achieve parity in GST treatment for all low-value goods consumed in Singapore regardless of whether they are procured from overseas or locally.
- 1.2 This guide explains the features of the overseas vendor registration regime for imported low-value goods ("LVG"), and the related GST registration and reporting rules. It also covers the compliance guidelines, as well as the transitional rules applicable to transactions spanning the implementation of the registration regime on 1 Jan 2023.
- 1.3 You should read this guide if you are:
- (i) A local or overseas supplier making sales of LVG to customers in Singapore;
  - (ii) A local or overseas operator of an electronic marketplace supplying LVG to Singapore, on behalf of local and overseas suppliers, through your marketplace;
  - (iii) A local or overseas redeliverer delivering or facilitating the delivery of LVG to Singapore, by providing or facilitating the purchase or the use of an address outside Singapore;
  - (iv) A transporter (e.g., air express companies, air couriers and forwarding companies) providing transportation and import clearance services for LVG delivered to recipients in Singapore; or
  - (v) A customer in Singapore making purchases of LVG from suppliers and electronic marketplaces, or through redeliverers.

## **2 At a Glance**

- 2.1 Under the overseas vendor registration regime, any supplier belonging outside Singapore that has a global turnover exceeding S\$1 million and makes B2C supplies of LVG and remote services<sup>1</sup> to customers in Singapore exceeding S\$100,000 is required to register, charge and account for GST.

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<sup>1</sup> From 1 Jan 2023, the current overseas vendor registration regime for B2C supplies of imported digital services will also be extended to B2C supplies of imported non-digital services. Imported digital services and non-digital services that are supplied and received remotely will be collectively referred to as "remote services". Please refer to the e-Tax Guide "GST: Taxing imported remote services by way of an overseas vendor registration regime" for information on the measure.

- 2.2 Under certain conditions, a local or overseas operator of electronic marketplaces or redeliverer may also be regarded as the supplier of the LVG made by the suppliers through these marketplaces or redeliverers. In such cases, the operators and redeliverers are required to register, charge and account for GST on these supplies, instead of the suppliers.
- 2.3 Registered OVR Vendors (i.e., suppliers, electronic marketplace operators and redeliverers) must duly charge GST on their supplies of LVG, if their customer is not GST-registered. As such, unless the customer provides his GST registration number, the OVR Vendors must charge and account for GST on the supplies made.
- 2.4 OVR Vendors should not charge GST on supplies of LVG made to GST-registered customers that have provided their GST registration numbers. Instead, the GST-registered customers will perform reverse charge on these overseas purchases if they fall within the scope of reverse charge<sup>2</sup>.
- 2.5 In the event where GST is wrongly charged by the OVR Vendors to GST-registered customers, the customers should contact the OVR Vendors to obtain a refund instead of making an input tax claim on the purchase.
- 2.6 To minimise extraterritorial compliance burden, overseas OVR Vendors will be registered under a pay-only regime, with simplified registration and reporting requirements. Under this regime, our local rules relating to tax-invoicing and GST-inclusive price display requirements will also not be imposed. The current penalty regime that applies to local taxable persons will similarly apply to the overseas OVR Vendors.
- 2.7 For supplies of LVG that span 1 Jan 2023, there are rules that ascertain whether and to what extent the LVG are subject to tax, and when the tax has to be accounted.

### **3 Glossary**

#### **3.1 B2B**

B2B stands for business-to-business, and refers to transactions made by a GST-registered person, including sole-proprietors, partnerships and corporate bodies, to a GST-registered customer.

#### **3.2 B2C**

B2C stands for business-to-consumer, and refers to transactions made by a GST-registered person, to a non-GST registered customer, which includes non-GST registered individuals and businesses.

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<sup>2</sup> For more information on who is subject to reverse charge, you may refer to the IRAS e-Tax Guide "GST: Taxing imported services by way of reverse charge".

### 3.3 LVG<sup>3</sup>

LVG refers to imported low-value goods. For the purposes of the overseas vendor registration regime, LVG is defined as goods which at the point of sale:

- (i) are not dutiable goods, or are dutiable goods, but payment of the customs duty or excise duty chargeable on the goods is waived under section 11 of the Customs Act<sup>4</sup>;
- (ii) are not exempt from GST;
- (iii) are located outside Singapore and are to be delivered to Singapore via air or post; and
- (iv) have a value not exceeding the import relief threshold of S\$400.

In the above definition, 'Point of sale' refers to the time at which an order confirmation is issued by the OVR Vendor or such other time as agreed with the Comptroller, whilst 'Singapore' refers to customs territory.

A supply of LVG by a GST-registered OVR Vendor, to a customer who is not GST registered in Singapore, will be subject to GST.

### 3.4 Electronic Marketplaces

Under the overseas vendor registration regime, an electronic marketplace is defined as a medium that:

- (i) allows the suppliers to make supplies available to customers; and
- (ii) is operated by electronic means.

This includes marketplaces operated via a website, internet portal, gateway, distribution platform or any other types of electronic interface, but excludes payment processors or internet service providers.

### 3.5 Redeliverers

Under the overseas vendor registration regime, a redeliverer is defined as a person who, under an arrangement with the customer:

- (i) delivers or facilitates the delivery of goods to Singapore; and
- (ii) provides or facilitates the use of an address outside of Singapore for delivery of the goods; or
- (iii) purchases or facilitates the purchase of the goods.

In the above definition, 'Singapore' refers to customs territory. The definition also does not include general freight forwarders who do not facilitate the use of an address nor facilitate the purchase of goods.

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<sup>3</sup> LVG is referred to as "distantly taxable goods" in the Goods and Services Tax Act 1993.

<sup>4</sup> Intoxicating liquor and tobacco products do not fall within the scope of LVG.

### 3.6 Direct sales

Direct sales refer to goods that are supplied directly by local and overseas suppliers to customers who are not GST-registered in Singapore (e.g., through the supplier's own website), instead of supplying the goods through an electronic marketplace or redeliverer.

### 3.7 OVR Vendors

OVR Vendors refer to local and overseas suppliers of LVG, and will also include local and overseas electronic marketplaces and redeliverers which meet the conditions to be regarded as the supplier of the LVG.

## **4 Background**

4.1 The advent of technology has fuelled the growth of e-commerce by increasing the capability of businesses to sell to consumers across the globe without the need for a shop-front in the respective countries. Consumers may now purchase goods and services from overseas suppliers directly or through intermediaries such as an electronic marketplace or a redeliverer.

4.2 Under current GST rules, goods imported into Singapore are subject to import GST, except for LVG. This means that if the LVG is procured from an overseas supplier or local supplier who ships his goods from overseas, the supply of LVG would not be subject to GST, whereas if the same goods are procured locally from a GST-registered supplier, GST is applicable.

4.3 The current non-taxation of LVG results in a disparity in GST treatment between similar goods supplied locally by GST-registered local businesses and overseas ones. GST is a tax on local consumption and ought to be levied on all supplies of goods and services consumed in Singapore, whether they are procured locally or from overseas.

4.4 As such, to level the playing field for supplies of LVG, B2C supplies of LVG will be subject to tax by way of extending the existing overseas vendor registration regime.

4.5 The existing overseas vendor registration regime was introduced on 1 Jan 2020 to tax B2C supplies of imported digital services made by overseas suppliers or electronic marketplaces through which the digital services are supplied. From 1 Jan 2023, the overseas vendor registration regime will be extended to tax B2C supplies of LVG and imported non-digital services. Please refer to the e-Tax Guide "GST: Taxing imported remote services" by way of an overseas vendor registration regime" for information on the measure.

## 5 Scope of LVG

5.1 With the extension of the overseas vendor registration regime, GST will apply to supplies of LVG made by OVR Vendors (i.e., suppliers, electronic marketplace operators and redeliverers) to customers who are not GST-registered in Singapore.

5.2 LVG will be defined as goods which at the point of sale:

- (i) are not dutiable goods, or are dutiable goods, but payment of the customs duty or excise duty chargeable on the goods is waived under section 11 of the Customs Act;
- (ii) are not exempt from GST;
- (iii) are located outside Singapore and are to be delivered to Singapore via air or post; and
- (iv) have a value not exceeding the import relief threshold of \$400 (hereinafter referred to as the “entry value threshold”).

In the above definition, ‘Point of sale’ refers to the time at which an order confirmation is issued by the OVR Vendor or such other time as agreed with the Comptroller, whilst ‘Singapore’ refers to customs territory.

A supply of LVG by a GST-registered OVR Vendor, to a customer who is not GST registered in Singapore, will be subject to GST.

### 5.3 **Determining whether the value of the goods falls within the entry value threshold**

5.3.1 To fall within the definition of an LVG, the good must, inter alia, have a value (“entry value”) which falls within the entry value threshold of S\$400. For the purpose of determining the entry value of the goods, the **sales value** of the goods should be used.

5.3.2 The sales value refers to the selling price of the goods, which is the amount of consideration received or receivable for the supply but excluding any amounts charged for:

- (i) Transportation and insurance costs (i.e., fees charged to customer for transportation and insurance) for transporting the goods from overseas to the place of delivery in Singapore;
- (ii) Any GST chargeable on the supply of LVG; and
- (iii) Any duties payable to Singapore Customs.

5.3.3 Please note that the value of a supply of LVG (i.e., the value on which GST should be accounted) is not the same as the sales value of the LVG. The value of supply of an LVG would include amounts paid by the customer for related services such as transportation and insurance. Please refer to



Paragraph 14 for more information on determining the value of supply of LVG.

Example 1a

Ms. Tan places an order for a dress from overseas Supplier A, an online fashion retailer, and provides her Singapore home address as the delivery address. The dress is listed for sale at S\$420 (before GST, if applicable), which included a separate and explicit charge of transportation and insurance fees of S\$25.

To determine whether the supply of the dress to Ms. Tan falls within the entry value threshold, Supplier A is required to exclude the transportation and insurance fees charged to the customer. Thus, the sales value of the dress would be S\$395 and consequently, this will be considered as a supply of LVG and GST will be chargeable on the value of supply at S\$420.

5.4 **Exception to use import value of goods for determining whether the value of goods falls within the entry value threshold**

- 5.4.1 There may be OVR Vendors whose systems and business processes enable them to determine the value of the transportation and insurance fees at the point of sale. For consistency with the valuation used for Customs importation purposes, such OVR Vendors may prefer to use the value of imported goods, determined in accordance with Section 18 of the GST Act, (“import value”) to determine the entry value of the goods. Generally, the import value comprises the Cost, Insurance and Freight (“CIF”) value, any customs duties payable, commission and other incidental charges.
- 5.4.2 To facilitate compliance for such OVR Vendors, local and overseas OVR Vendors may elect to use the import value of the goods, instead of the sales value, to determine the entry value of the goods. To make the election, the OVR Vendor is required to complete and submit the [“Election form for LVG”](#)<sup>5</sup>. Once the form is submitted, the OVR Vendor may proceed to use the import value of the goods to determine the entry value of the goods.
- 5.4.3 Please note that regardless of whether the sales value or the import value is used for determining the entry value of the goods, GST should always be computed and accounted for based on the value of supply of the LVG.

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<sup>5</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > Forms > GST > Others

### Example 1b

Mr. Sim places an order for a tennis racquet from overseas Supplier B, an online sports equipment retailer, to be delivered to his Singapore address via air freight. The racquet is listed for sale at S\$330 (before GST, if applicable), excluding freight and insurance.

Supplier B had notified the Comptroller of its election to use the import value of the goods, instead of the sales value, for determining the entry value of goods. Supplier B determined that the import value of the goods is S\$380.

As the import value of the goods falls within the entry value threshold of S\$400, Supplier B will regard the supply of tennis racquet to Mr. Sim as a supply of LVG. GST will be chargeable on S\$380 (i.e., the value of supply).

## 5.5 Local suppliers with goods outside Singapore

- 5.5.1 Local suppliers (i.e., GST-registered and non-GST registered suppliers belonging in Singapore) may store their goods outside Singapore for sale to consumers in Singapore and outside Singapore. Currently, the sales of such LVG warehoused overseas by local suppliers to Singapore are treated as outside the scope of GST, since the goods are located outside Singapore at the time of supply.
- 5.5.2 To achieve parity in the tax treatment for all goods consumed in Singapore regardless of whether they are procured from overseas or locally, the direct sales<sup>6</sup> of LVG by local suppliers to customers who are not GST-registered in Singapore will now fall within the scope of GST.
- 5.5.3 This means that a GST-registered local supplier would be required to charge and account for GST, at the standard-rate, on his direct sales of LVG to customers who are not GST-registered in Singapore. A non-GST registered local supplier who makes direct sales of LVG to non-GST registered customers would be required to include such supplies in his taxable turnover in determining his GST registration liability.
- 5.5.4 Please refer to **Annex A** for a summary of the GST treatment of B2C supplies of LVG under various scenarios.

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<sup>6</sup> Direct sales refer to goods that are supplied directly by local and overseas suppliers to customers who are not GST-registered in Singapore (e.g., through the supplier's own website), instead of supplying the goods through an electronic marketplace or redeliverer.

## **6 Intermediaries regarded as the supplier**

### **6.1 Electronic marketplaces**

6.1.1 To reach a wider network of customers, suppliers may choose to market and sell their products through intermediaries such as electronic marketplaces<sup>7</sup>.

6.1.2 Given the electronic marketplace's involvement in the digital supply chain and its interaction with both the suppliers and consumers, these intermediaries are well-positioned to collect and account for GST, on behalf of these suppliers. Consequently, local and overseas operators of electronic marketplaces may be regarded as the suppliers for LVG supplied through the marketplace, on behalf of local and overseas suppliers, when certain conditions are met. The rules set out in the following paragraphs apply to both local and overseas operators of electronic marketplaces.

### **6.2 When is an electronic marketplace regarded as the supplier?**

6.2.1 The operator of the electronic marketplace will be regarded as the supplier, if any of the following conditions are met:

(i) The electronic marketplace authorises the charge to the customer;

(The electronic marketplace authorises the charge to the customer if it communicates the liability to pay to the customer, or influences whether or at what time the customer pays for the supply. This is typically done by initiating the process through which the customer is charged, and includes situations where the electronic marketplace's website connects the customer to a third party who receives the payment instruction and processes the payment. Hence, to authorise the charge, it is not necessary for the electronic marketplace itself to collect or receive the payment, or be involved in the entire payment process.)

(ii) The electronic marketplace authorises the delivery of supply to the customer;

(An electronic marketplace authorises delivery of a supply if it sends approval to commence delivery, delivers the item itself, or instructs the merchant or a third party to make delivery.)

(iii) The electronic marketplace sets the terms and conditions under which the supply is made;

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<sup>7</sup> The definition of an electronic marketplace can be found in the Glossary, in Paragraph 3.4. It includes marketplaces operated via a website, internet portal, gateway, distribution platform or any other types of electronic interface, but excludes payment processors or internet service providers.

(Examples of setting terms and conditions include having control or influence over the pricing of the supply, requiring the merchant to accept one or more specific payment methods or shipping or delivery methods, providing customer care or support, or owning customer data in relation to the supply.)

- (iv) The documentation provided to the customer identifies the supply as made by the marketplace, and not the merchant; or

(Examples of such documentation include hardcopy or electronic receipts or invoices, or information displayed on the electronic marketplace's website.)

- (v) The electronic marketplace and the merchant contractually agree that the marketplace is liable for GST.

6.2.2 An electronic marketplace may not be regarded as the supplier only if **none** of the abovementioned conditions is satisfied.

### 6.3 **GST treatment of supplies made on behalf of suppliers through electronic marketplaces**

6.3.1 Once an electronic marketplace operator is regarded as the supplier under the overseas vendor registration regime, he is required to charge and account for GST on supplies of LVG made on behalf of local and overseas suppliers to customers who are not GST-registered in Singapore, in addition to any other taxable supplies made by him. This **includes all supplies of LVG made through the marketplace by the local and overseas suppliers, regardless of whether these suppliers are GST-registered or liable to register for GST.**

6.3.2 Where a GST-registered supplier makes non-LVG supplies (including domestic supplies of goods within Singapore) through an electronic marketplace, the GST-registered supplier remains responsible for the charging and accounting of GST on such supplies, if GST is applicable. The electronic marketplace operator is not required to charge and account for GST on such non-LVG supplies. Please refer to **Annex A** for a summary of the GST treatment of B2C supplies of LVG under various scenarios.

### 6.4 **Accounting for GST on supplies made by suppliers through electronic marketplaces**

6.4.1 A supply of LVG by suppliers through electronic marketplaces will be deemed as two consecutive supplies:

- (i) a supply of goods from the supplier to the marketplace operator at the selling price to the consumer; and
- (ii) a supply of LVG from the marketplace operator to the consumer.

This will enable GST-registered suppliers (i.e., including overseas suppliers registered under the normal registration regime) selling through GST-registered marketplaces to claim the input tax incurred in making supplies of LVG.

- 6.4.2 The deemed supply of such goods from the supplier to local and overseas marketplace operators will be an out-of-scope supply and not subject to GST, being a supply of goods located outside Singapore at the time of supply. A GST-registered supplier would be able to claim input tax directly attributable to these out-of-scope supplies which would have been taxable supplies if made in Singapore, subject to fulfilling the normal input tax claiming conditions.
- 6.4.3 GST-registered suppliers and electronic marketplace operators are not required to report the deemed supply and purchase of goods in their GST returns as these are out-of-scope supplies. Likewise, non-GST registered suppliers are not required to include the value of deemed supply of goods made to marketplace operators for the purpose of determining their GST registration liability.

## 6.5 **Redeliverers**

- 6.5.1 The growing popularity of e-commerce has led to the emergence of forwarding services provided by redeliverers. These redeliverers typically offer 'ship for me' and/or 'buy for me' services to customers who wish to procure particular goods from overseas vendors that do not ship to Singapore.
- 6.5.2 Under 'ship for me' services, redeliverers assist customers of OVR Vendors to ship their purchases from overseas to Singapore by providing an overseas forwarding address. When placing an order for the goods, the customers would instruct the suppliers to deliver the goods to the overseas forwarding address, typically at an overseas warehouse. When the goods arrive at the overseas warehouse, the redeliverers would then arrange to ship the goods to Singapore. Under 'buy for me' services, redeliverers assist to place the order for the goods from the suppliers on behalf of the customers and then arrange for the shipment of the goods from overseas to Singapore.
- 6.5.3 Since an overseas forwarding address is provided to the supplier and/or electronic marketplace when a consumer uses a redeliverer, the supplier and/or electronic marketplace is unlikely to know that the goods are ultimately destined for importation into Singapore. The supplier and/or electronic marketplace therefore cannot be expected to account for GST on the supply.
- 6.5.4 On the other hand, the redeliverer would be aware that the goods are to be imported into Singapore. Consequently, local and overseas redeliverers would be regarded as the suppliers for LVG supplied by local and overseas

suppliers and electronic marketplace operators, when certain conditions are met. The rules set out in the following paragraphs apply to both local and overseas redeliverers.

6.6 **When is a redeliverer regarded as the supplier?**

6.6.1 A redeliverer will be regarded as the supplier of the LVG if:

- (i) No electronic marketplace operator is treated as the supplier of the goods;
- (ii) The supplier of the goods does not deliver or arrange the delivery of the goods to Singapore; and
- (iii) The redeliverer delivers or facilitates the delivery of the LVG to Singapore and does one or more of the following:
  - Provides or facilitates the use of an address outside of Singapore for delivery of the LVG;
  - Purchases or facilitates the purchase of the LVG.

6.7 Please refer to **Annex A** for a summary of the GST treatment of B2C supplies of LVG under various scenarios.

## 7 GST Registration

### 7.1 Compulsory Registration

#### Overseas OVR vendors

- 7.1.1 Under the overseas vendor registration regime, a two-tier registration threshold, , applies for overseas suppliers, overseas electronic marketplace operators and overseas redeliverers. The two tiers comprise (i) the value of annual global turnover<sup>8</sup> and (ii) the value of B2C LVG supplies and remote services supplied to Singapore.
- 7.1.2 Currently, local suppliers determine their GST registration liability based on the value of taxable turnover, which comprises both supplies made domestically and internationally. Hence, using a global turnover, which includes all supplies that would have been taxable supplies if made in Singapore, ensures consistency and neutrality with the current registration threshold.
- 7.1.3 In addition to the global turnover, a registration threshold based on the value of B2C LVG supplies and remote services supplied to Singapore is put in place to avoid imposing unnecessary compliance burden on overseas suppliers. Consequently, suppliers with sizeable global turnover but which may not make significant sales to Singapore will not come within scope of the tax.
- 7.1.4 If you are an overseas OVR vendor (i.e., supplier, electronic marketplace operator or redeliverer), you would be liable for GST registration under either the retrospective or prospective basis, if you satisfy the following conditions:

#### Retrospective basis:

- (i) Your global turnover and value of B2C supplies of LVG and remote services to Singapore<sup>9</sup> for the calendar year (i.e., 1 Jan to 31 Dec) exceed S\$1 million and S\$100,000 respectively.

However, if you are certain that, because of specific circumstances, your global turnover or value of B2C supplies of LVG and remote services to Singapore will not exceed S\$1 million and S\$100,000 respectively in the next calendar year, and you can substantiate this with documentation, you will not be liable for GST registration.

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<sup>8</sup> Global turnover refers to all supplies made by you that would be taxable supplies if made in Singapore. For overseas operators of electronic marketplaces, you are also required to include the value of LVG supplied to Singapore by local and overseas suppliers through your marketplace when computing your global turnover (please refer to Paragraph 7.1.6 for more information).

<sup>9</sup> B2C supplies of LVG and remote services to Singapore refer to supplies of LVG to customers who are not GST-registered in Singapore and supplies of remote services to non-GST registered customers belonging in Singapore.

Prospective basis:

- (ii) You reasonably expect the value of your global turnover and B2C supplies of LVG and remote services to Singapore to exceed S\$1 million and S\$100,000 respectively for the next 12 months.

### **Overseas electronic marketplaces**

- 7.1.5 If you fulfil the conditions set out in Paragraph 6.2.1, you are regarded as the supplier of the LVG supplied by local and overseas suppliers through your marketplace.
- 7.1.6 To compute your global turnover and determine your GST registration, you are required to sum up the value of B2C supplies of LVG and remote services (if any) supplied by you directly to Singapore, as well as the value of B2C supplies of LVG and remote services (if any) supplied on behalf of local and overseas suppliers to Singapore through your marketplace.

### **Overseas redeliverers**

- 7.1.7 If you fulfil the conditions set out in Paragraph 6.6.1, you are regarded as the supplier of the LVG for which you assist non-GST registered customers to purchase and/or deliver to Singapore.
- 7.1.8 To compute your global turnover and determine your GST registration, you are required to sum up the value of B2C LVG supplies supplied by you to non-GST registered customers (if any), as well as the value of B2C LVG supplies made by local and overseas suppliers, for which you assist non-GST registered customers to purchase and/or deliver to Singapore.



### Example 2

Overseas electronic marketplace A is an e-commerce store, which lists and sells consumer products, on behalf of local and overseas sellers. Marketplace A also lists and sells its own-brand products through the platform. Its annual global turnover in 2023 is S\$3 million.

In the period from 1 Jan 2023 to 31 Dec 2023, sales of LVG by the local and overseas suppliers through marketplace A to non-GST registered customers amounted to S\$60,000. Marketplace A's sales of LVG relating to its own-brand products to non-GST registered customers amounted to S\$30,000.

In the same period, marketplace A also supplied remote services of S\$15,000 to non-GST registered sellers belonging in Singapore, relating to support services and commission for facilitating the sales of products through its platform.

To determine its GST registration liability, marketplace A must sum up the values of:-

- The LVG supplied by the local and overseas suppliers through its marketplace (S\$60,000);
- Its own supplies of LVG (S\$30,000); and
- Its own supplies of remote services to non-GST registered customers in Singapore (S\$15,000).

As marketplace A's global turnover and supplies to Singapore exceed S\$1 million and S\$100,000 respectively, it is liable for GST registration under the overseas vendor registration regime.

### Example 3

Overseas Company B is a redeliverer which assists customers to purchase and/or ship their purchases from overseas to Singapore by providing the use of an overseas forwarding address.

In the period from 1 Jan 2023 to 31 Dec 2023, Company B assisted non-GST registered customers with the purchase and/or delivery of LVG to Singapore. The value of these LVG amounted to S\$1,200,000. In the same period, Company B's global turnover amounted to S\$5,000,000.

As Company B's global turnover and supplies of LVG to Singapore exceed S\$1 million and S\$100,000 respectively, it is liable for GST registration under the overseas vendor registration regime.

## Local Electronic Marketplaces

- 7.1.9 If you are a local non-GST registered electronic marketplace operator, the value of your taxable turnover will include the value of LVG supplied on behalf of local and overseas suppliers through your marketplace as well as the value of remote services (if any) supplied on behalf of overseas suppliers, in addition to taxable supplies made by you (collectively referred to as 'combined turnover').
- 7.1.10 Similar to local suppliers, you are liable for GST registration under the retrospective basis if the combined turnover<sup>10</sup> for the calendar year is more than S\$1 million, or under the prospective basis if you can reasonably expect your combined turnover in the next 12 months to be more than S\$1 million.

### Example 4

Electronic marketplace C is an e-commerce store established in Singapore which lists and sells consumer goods, on behalf of both local and overseas sellers.

Marketplace C's taxable turnover in 2023 is S\$930,000. In addition, sales of LVG in 2023 by local and overseas sellers through marketplace C to non-GST registered customers amounted to S\$90,000.

As marketplace C belongs in Singapore, it is subject to domestic GST registration rules. To determine its GST registration liability, it is required to sum up its taxable turnover (S\$930,000) and the value of B2C LVG supplies made by the underlying suppliers through its platform (S\$90,000).

As such, it is liable for GST registration, as its combined turnover for the calendar year 2023 exceeds S\$1 million (S\$1.02 million).

Note: The S\$100,000 registration threshold based on the value of B2C supplies of LVG and remote services supplied to Singapore does not apply to local persons.

## Local redeliverers

- 7.1.11 If you fulfil the conditions set out in Paragraph 6.6.1, you are regarded as the supplier of the LVG for which you assist non-GST registered customers to purchase and/or deliver to Singapore.
- 7.1.12 The value of your taxable turnover will include the value of LVG supplies made by local and overseas suppliers, for which you assist your non-GST

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<sup>10</sup> This refers to the total taxable turnover, which includes both standard-rated and zero-rated supplies made by the marketplace, and the LVG it supplies on behalf of overseas and local suppliers. The S\$100,000 threshold of LVG and remote services supplied to Singapore does not apply to local marketplaces.

registered customers to purchase and/or deliver to Singapore, in addition to any other taxable supplies made by you (collectively referred as 'combined turnover').

- 7.1.13 You are liable for GST registration under the retrospective basis if the combined turnover for the calendar year is more than S\$1 million, or under the prospective basis if you can reasonably expect your combined turnover in the next 12 months to be more than S\$1 million.

#### Example 5

Company D is a redeliverer established in Singapore which assists customers to purchase and/or ship their purchases from overseas to Singapore by providing the use of an overseas forwarding address.

Company D's taxable turnover (e.g., fees charged for shipping and handling of goods) in 2023 is S\$850,000. In addition, Company D assisted non-GST registered customers with the purchase and/or delivery of LVG to Singapore. The value of these LVG amounted to S\$200,000.

As Company D belongs in Singapore, it is subject to domestic GST registration rules. To determine its GST registration liability, it is required to sum up its taxable turnover (S\$850,000) and the value of LVG which it assisted non-GST registered customers to purchase and/or deliver to Singapore (S\$200,000). As such, it is liable for GST registration since its combined turnover for the calendar year 2023 exceeds S\$1 million (S\$1.05 million).

Note: The S\$100,000 registration threshold based on the value of B2C supplies of LVG and remote services to Singapore does not apply to local persons.

### **Local suppliers with goods outside Singapore**

- 7.1.14 If you are a local supplier who makes direct sales of LVG warehoused overseas to customers who are not GST-registered in Singapore, the value of your taxable turnover will include the value of such direct sales of LVG, in addition to any other taxable supplies made by you (collectively referred as 'combined turnover').
- 7.1.15 You are liable for GST registration under the retrospective basis if the combined turnover for the calendar year is more than S\$1 million, or under the prospective basis if you can reasonably expect your combined turnover in the next 12 months to be more than S\$1 million.

### Example 6

Company E is an online retail store established in Singapore which sells consumer goods to customers around the world. Company E stores its goods in a warehouse in China. When a customer places an order for the goods on Company E's website, Company E will fulfil the order from the warehouse in China (i.e., goods are shipped from China to the customer's delivery address).

In 2023, Company E made sales of LVG to Singapore. The value of these LVG amounted to S\$800,000.

In addition, Company E also provided marketing support services of S\$400,000 to its related company in Singapore.

To determine its GST registration liability, Company E must sum up the values of:-

- Its supplies of LVG (S\$800,000); and
- Its supplies of taxable services to its related company in Singapore (S\$400,000).

As Company E belongs in Singapore, it is subject to domestic GST registration rules. As such, it is liable for GST registration since its combined turnover for the calendar year 2023 exceeds S\$1 million (S\$1.2 million).

Note: The S\$100,000 registration threshold based on the value of B2C supplies of LVG and remote services to Singapore does not apply to local persons.

### **Notification of liability to register and effective date of registration**

7.1.16 You may refer to **Annex B** to determine if the overseas vendor registration regime applies to you, and whether you need to register for GST under the new rules.

7.1.17 If you are liable for GST registration, you are required to apply for GST registration within 30 days of:

- (i) the end of the relevant calendar year under the retrospective basis; or
- (ii) the day you are liable for GST registration under the prospective basis.

7.1.18 The following table summarises the registration rules and specifies the notification of liability and the effective date of registration for local and overseas OVR Vendors (i.e., suppliers, electronic marketplace operators and redeliverers):

	<b>Retrospective basis</b>	<b>Prospective basis</b>
You are liable for GST registration when	<p><u>If you are an overseas OVR Vendor:</u> Your global turnover and supplies made to Singapore<sup>11</sup> for the calendar year (i.e., 1 Jan to 31 Dec) are more than S\$1 million and S\$100,000 respectively.</p> <p><u>If you are a local OVR Vendor:</u> Your taxable turnover for the calendar year (i.e., 1 Jan to 31 Dec) is more than S\$1 million.</p>	<p><u>If you are an overseas OVR Vendor:</u> At any time, if there are reasonable grounds to believe that your global turnover and supplies made to Singapore will be more than S\$1 million and S\$100,000 respectively.</p> <p><u>If you are a local OVR Vendor:</u> At any time, if there are reasonable grounds to believe that your taxable turnover will be more than S\$1 million.</p> <p>(Note: If the date of forecast is before 1 Jan 2023, the 12-month period for determining prospective registration liability is 1 Jan 2023 to 31 Dec 2023.)</p>
You are required to notify IRAS of your GST registration liability by	<p>If your GST registration liability is triggered on/after 31 Dec 2022:</p> <p>Within 30 days of the end of that relevant calendar year.</p> <p>For example, if your liability arises on 31 Dec 2022, you are required to inform the Comptroller by 30 Jan 2023.</p>	<p>If your GST registration liability is triggered <b>on or before 23 Sep 2022:</b></p> <ul style="list-style-type: none"> <li>• 1 Oct 2022</li> </ul> <p>If your GST registration liability is triggered during the period <b>from 24 Sep to 31 Dec 2022:</b></p> <ul style="list-style-type: none"> <li>• By 31 Jan 2023</li> </ul> <p>If your GST registration liability is triggered <b>on or after 1 Jan 2023:</b></p> <ul style="list-style-type: none"> <li>• Within 30 days from the date of the forecast.</li> </ul> <p>For example, if your date of forecast is 15 Jan 2023, you are required to inform the Comptroller by 14 Feb 2023.</p>

<sup>11</sup> Supplies made to Singapore include LVG supplies to non-GST registered customers, supplies of remote services to non-GST registered customers belonging in Singapore and any other taxable supplies made in Singapore.

	<b>Retrospective basis</b>	<b>Prospective basis</b>
Your effective date of GST registration will be on	<p>If your GST registration liability is triggered on/after 31 Dec 2022:</p> <p>End of the month following the month in which the 30th day falls.</p> <p>For example, if your liability arises on 31 Dec 2022, you will be registered on 1 Mar 2023.</p>	<p>If your GST registration liability is triggered <b>on or before 23 Sep 2022</b>:</p> <ul style="list-style-type: none"> <li>1 Jan 2023</li> </ul> <p>If your GST registration liability is triggered during the period <b>from 24 Sep to 31 Dec 2022</b>:</p> <ul style="list-style-type: none"> <li>1 Feb 2023 or earlier</li> </ul> <p>If your GST registration liability is triggered <b>on or after 1 Jan 2023</b>:</p> <ul style="list-style-type: none"> <li>31<sup>st</sup> day from the date of your forecast.</li> </ul> <p>For example, if your date of forecast is 15 Jan 2023, you will be registered on 15 Feb 2023.</p>

#### Example 7 – Retrospective basis

<b>Value of B2C LVG supplies</b>	<b>Overseas Business A (S\$)</b>	<b>Overseas Business B (S\$)</b>
<i>Determination date</i>	<i>31 Dec 2022</i>	<i>31 Dec 2022</i>
<b>Calendar year ending on the Determination date (Actual)</b>	<b>200,000</b>	<b>200,000</b>
<b>12 months from Determination date (Expected)</b>	<b>300,000</b>	<b>50,000</b>
<i>Registration required</i>	<i>Yes</i>	<i>No</i>
<i>GST registration application Due date</i>	<i>30 Jan 2023</i>	<i>-</i>

*Assuming actual and expected global turnover of the overseas business exceed S\$1 million*

#### Example 8 – Prospective basis

<b>Value of B2C LVG supplies</b>	<b>Overseas Business C (S\$)</b>	<b>Overseas Business D (S\$)</b>	<b>Overseas Business E (S\$)</b>
<i>Determination date</i>	<i>20 Sep 2022</i>	<i>24 Sep 2022</i>	<i>24 Sep 2022</i>
<b>12 months from Determination date (Expected)</b>	<b>300,000</b>	<b>300,000</b>	<b>50,000</b>
<i>Registration required</i>	<i>Yes</i>	<i>Yes</i>	<i>No</i>
<i>GST registration application Due date</i>	<i>1 Oct 2022</i>	<i>31 Jan 2023</i>	<i>-</i>

*Assuming expected global turnover of the overseas business exceeds S\$1 million*

7.1.19 After your application for GST registration is approved, you will receive a Notification of GST Registration. The notification will state your GST registration number and effective date of GST registration.

## 7.2 **Voluntary GST Registration**

7.2.1 If you are an overseas OVR Vendor but do not cross the registration threshold to be liable for GST registration, you may apply for voluntary GST registration. You will have to satisfy the Comptroller in writing that:

- (i) You are operating or carrying on a business; and
- (ii) You make or have firm intention to make:
  - (a) supplies that would be taxable if made in Singapore; and
  - (b) supplies of LVG either directly or on behalf of local and overseas suppliers through you (as the marketplace operator or redeliverer) to customers who are not GST-registered in Singapore.

7.2.2 After your application is approved, you must remain registered for at least two years. The Comptroller may impose other conditions for your GST registration as he thinks fit such as requiring you to take up a banker's guarantee.

## 7.3 **Simplified Pay-only Registration Regime**

7.3.1 For ease of compliance, overseas OVR Vendors will be registered under a simplified pay-only regime. While input tax claims incurred on taxable purchases made in Singapore are not allowed, the regime features simplified GST reporting and documentation requirements.

7.3.2 The features of the regime may be found below:

Feature	Details of feature
GST Registration	<p>You can register for GST by completing an <a href="#">online GST registration application form</a><sup>12</sup> for overseas OVR Vendors.</p> <p>Documents required:</p> <ul style="list-style-type: none"> <li>(i) Declaration Form signed by director/partner/sole-proprietor; and</li> <li>(ii) Certificate of Incorporation, officially translated into English and notarised (it should contain your entity name, date of incorporation, and country of incorporation).</li> </ul> <p>You are not required to appoint a local agent to handle your tax matters in Singapore, nor are you required to provide a guarantee during the course of registration unless you are applying for</p>

<sup>12</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > Forms > GST > GST registration/deregistration

Feature	Details of feature
	voluntary GST registration. However, if you wish to appoint a local agent to handle your GST matters, you may also do so.
Group Registration	<p>For ease of compliance, overseas OVR Vendors registered under the simplified pay-only regime may apply for group registration.</p> <p>If you would like to register as a GST group, you must fulfil all the following conditions:</p> <ul style="list-style-type: none"> <li>(i) All members in the proposed group must be registered under the simplified pay-only regime.</li> <li>(ii) Each member in the proposed group must already be registered for GST individually.</li> <li>(iii) Each member in the proposed group must have at least one of the following attributes: <ul style="list-style-type: none"> <li>(a) Annual turnover of at least \$1 million;</li> <li>(b) Listed on a securities exchange established in or outside Singapore;</li> <li>(c) A subsidiary of a body corporate that fulfils (a) or (b); or</li> <li>(d) Financed by an entity (as part of its venture capital investment business) who fulfils (a) or (b).</li> </ul> </li> <li>(iv) The nominated representative member must appoint a local agent under section 33(1) to act on behalf of the group<sup>13</sup>.</li> <li>(v) Each member in the proposed group must satisfy one of the following control<sup>14</sup> requirements: <ul style="list-style-type: none"> <li>(a) One of the members controls each of the others;</li> <li>(b) One non-member (whether a body corporate or an individual) controls all the members; or</li> <li>(c) Two or more individuals (non-member) carrying on a business in partnership control all of the members.</li> </ul> </li> </ul> <p>You can apply for group registration by writing in to request for the OVR group registration application form. Please note that Group registration is subject to the approval of the Comptroller and the Comptroller can refuse an application for the protection of revenue.</p>
GST Filing and Payment	Once GST-registered, you are to charge GST on all taxable supplies <sup>15</sup> , including B2C supplies of LVG. You are required to report only the value of supplies made and the GST collected in the relevant accounting period on a quarterly basis.

<sup>13</sup> The GST Group must also appoint a SingPass holder as a GST CorpPass administrator for filing of GST.

<sup>14</sup> For control to exist, there must be a holding company-subsidary company relationship. In general, control exists if the holding company controls the composition of the board of directors or more than half of the voting power of the other corporate body, or holds more than half of the issued share capital (excluding preference shares) of the other corporate body.

<sup>15</sup> Overseas OVR Vendors that are registered under the simplified pay-only regime are required to charge and account for GST on all taxable supplies (e.g., local sale of goods or supplies of services by the business or fixed establishment in Singapore).



Feature	Details of feature
	<p>Overseas OVR Vendors registered under the simplified pay-only regime will file simplified GST returns with only the relevant fields. You must submit accurate GST returns via e-Filing and make payment electronically for the tax due in a timely manner. The due date for GST return filing and payment is within one month from the end of each accounting period. For payments via telegraphic transfer, you should make the remittance at least one week before the due date to ensure on time payment.</p>
Correction of Errors	<p>If you have made errors in your GST returns, you should correct them in your next GST return. However, where significant errors are made (e.g., incorrectly overstating the value of output tax due in Box 6), you may instead choose to write in to request for an adjustment of your current GST returns, providing reasons for the adjustment.</p> <p>You are also required to inform the Comptroller in writing of any upward adjustments in respect of sales made more than one year from the statutory filing deadline, as late payment penalties will apply.</p>
Refunds	<p>While input tax claims are not a feature of the simplified regime, there may be situations where an overseas OVR Vendor may be in a net GST refundable position.</p> <p>For instance, you may report negative output tax when your downward GST adjustments arising from credit notes relating to past sales issued exceed the supplies made in the relevant accounting period<sup>16</sup>.</p> <p>In such cases, the net GST refundable will be retained as credit for offset against GST payable by you in future periods. Alternatively, you may, subject to the Comptroller's approval, request for the net GST to be refunded if you are willing to bear the associated remittance charges.</p>
Bad Debt Relief	<p>When debts cannot be recovered, you may apply for bad debt relief to recover the associated GST charged but unpaid by your customers.</p> <p>You are required to complete the Checklist for Self-Review of Eligibility of Claim<sup>17</sup> and keep it as part of your records. You may then proceed to make a claim in Box 11<sup>18</sup> of your GST returns if</p>

<sup>16</sup> For clarity, downward adjustments arising from credit notes relating to past sales include credit notes issued for past sales regarded as being supplied by an electronic marketplace operator or redeliverer on behalf of the underlying suppliers (as elaborated in Paragraph 6).

<sup>17</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST registered businesses > Working out your taxes > Common scenarios – Do I charge/ deem/ claim GST > Customer > Bad Debt Relief

<sup>18</sup> Box 7 will be automatically populated with the amount entered into Box 11.

Feature	Details of feature
	you satisfy all the conditions. For more information on bad debt relief, you may refer to our webpage relating to <a href="#">bad debt relief</a> .
Invoicing, Price Display and Record Keeping	<p>There will not be additional invoicing and price display requirements imposed on you under the simplified regime<sup>19</sup>, beyond your usual business practices<sup>20</sup>. However, similar to local GST-registered businesses, you are expected to maintain proper business and accounting records for at least 5 years, in order to support GST declarations.</p> <p>For example, under the simplified regime, while you are not required to display or print your customer's GST registration number on invoices issued, such customer information should be maintained as part of your records.</p> <p>You are expected to retain and make available upon request supporting documents, including sales listings, invoices issued, payment evidence and customer information to substantiate GST collected from all supplies made to customers in Singapore. You may refer to the e-Tax Guide “Record Keeping Guide for GST-registered Businesses” for more information on the records that need to be kept.</p>

#### 7.4 **Invoicing, Price Display and Record Keeping for OVR Vendors registered under the normal registration regime**

7.4.1 OVR Vendors who are registered under the normal registration regime (i.e., not the simplified pay-only registration regime) are required to comply with the normal invoicing<sup>21</sup>, price display and record keeping requirements. You may refer to our webpages<sup>22</sup> relating to [invoicing](#), [price display](#) and [record keeping](#) for more information.

7.4.2 Under the price display requirements, GST-registered businesses must show GST-inclusive prices on all price displays (e.g., on the website). If both GST-inclusive and GST-exclusive prices are displayed, the GST-inclusive price must be at least as prominent as the GST-exclusive price.

<sup>19</sup> The simplified invoicing and price display features apply to supplies of LVG and remote services made by an overseas OVR Vendor registered under the simplified pay-only registration regime. If such OVR Vendors make taxable supplies in Singapore (e.g., a local supply of goods), the normal invoicing and price display requirements will apply in respect of the taxable supplies made in Singapore.

<sup>20</sup> For example, if as part of your usual business practice, you do not issue invoices to your customers for your supplies of LVG, you will not be required to do so under the simplified pay-only registration regime. You are however required to maintain proper business and accounting records for at least 5 years, in order to support your GST declarations.

<sup>21</sup> Invoices or receipts issued on sales of LVG by the electronic marketplace or redeliverer regarded as the supplier of the LVG should show the GST registration number of the electronic marketplace operator or the redeliverer.

<sup>22</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Learning the basics > How to implement GST > Invoicing, Price Display and Record Keeping

7.4.3 However, OVR Vendors may operate across various jurisdictions and could have difficulties showing the Singapore GST-inclusive prices on their website. Hence, to facilitate compliance, local and overseas OVR Vendors registered under the normal registration regime are allowed to display the GST-inclusive prices only at the checkout page.

## 7.5 **GST De-registration**

7.5.1 Overseas OVR Vendors may apply for cancellation of GST registration if the following conditions are satisfied:

- (i) You are certain that your global turnover for the next 12 months will be S\$1 million or less; or
- (ii) You are certain that the value of B2C supplies of LVG and remote services to Singapore for the next 12 months will be S\$100,000 or less; and
- (iii) You are not under voluntary registration for less than two years.

7.5.2 You will have to substantiate your projection of the global turnover or value of B2C supplies of LVG and remote services for the next 12 months with supporting documentation.

## 8 **Preventing double taxation on LVG**

8.1 Double taxation may potentially occur for the following reasons:

- (i) Multiple goods are shipped as a single consignment;
- (ii) Exchange rate fluctuations arising from imported goods sold in foreign currency, where the total value of supply charged by the supplier is close to the entry value threshold of S\$400; and
- (iii) Differences in methods for determining the sales value of the goods vis-à-vis the customs value of the goods.

8.2 Where double taxation occurs, GST would have been imposed twice – once, at the point of sale by the OVR Vendor, and a second time at the point of importation by Singapore Customs.

### **Multiple goods shipped as a single consignment**

8.2.1 A single consignment of goods may comprise LVG for which GST has been collected at the point of sale, and non-LVG for which GST is to be collected

at the border. Multiple LVG could also be shipped as a single consignment with a total value above the entry value threshold<sup>23</sup>.

- 8.2.2 In addition to existing information such as the customs value, information that GST has been collected on the LVG must be passed through the supply and logistics chain in order for the logistics players to identify and distinguish the LVG from other goods subject to import GST; otherwise, GST may inadvertently be paid again at the border.

### **Exchange rate fluctuations**

- 8.2.3 Where the exchange rate applied by the supplier at the point of sale is different from the exchange rate applied when making declarations to Singapore Customs at the border, double taxation may occur as illustrated below.

#### **Example 9**

A GST-registered OVR Vendor, Supplier C, sells a bag to a non-GST registered customer. As the Singapore dollar equivalent sales value of the bag is S\$398 based on the exchange rate applied at the point of sale, Supplier C charges and collects GST.

At the border, the Singapore dollar equivalent of the bag is S\$402 based on the exchange rate applied at the time of importation into Singapore. GST may be collected by Singapore Customs as the value of the good is above the entry value threshold of S\$400.

### **Differences in valuation**

- 8.2.4 As stated in Paragraph 5.3, OVR Vendors are required to use the sales value of the goods<sup>24</sup>, which excludes insurance and freight costs, in determining whether the goods fall within the entry value threshold. However, the Customs value is determined based on the cost, insurance and freight (“CIF”) value at the time of importation to determine whether the import exceeds the GST import relief threshold of S\$400. Thus, there could be instances where the OVR Vendor charges GST on a supply of LVG as the sales value of the goods is below S\$400; however, during importation, the CIF value of the goods exceeds S\$400 and GST is payable at the point of importation.

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<sup>23</sup> To reduce incidences of double taxation, where operationally feasible, OVR Vendors may wish to consider segregating GST-paid LVG items from non-LVG items for shipment purposes

<sup>24</sup> Unless an election is made to use the import value as elaborated at Paragraph 5.4.

### Example 10

Supplier D sells a pair of sneakers to a non-GST registered customer. As the sales value of the goods is S\$390 (i.e., below the entry value threshold of S\$400), Supplier D charges GST on his supply of LVG.

Transportation and insurance costs of S\$35 were separately charged to the customer. At importation into Singapore, the CIF value of the goods now exceeds S\$400 and cannot qualify for GST import relief. In the absence of specific measures taken by Supplier D or transporters, Singapore Customs would levy import GST accordingly.

## 8.3 **Measures to avert double taxation**

8.3.1 To avert instances of double taxation where the sales of goods taxed as LVG at the point of sale by the OVR Vendors are taxed again upon importation at the border, OVR Vendors and their transporters must take the following measures: :

- (a) The OVR Vendors must include the relevant GST information in the commercial document, which is passed through the logistics chain. The relevant GST information refers to the GST registration number of the OVR Vendor and the amount of GST paid or an indication to show whether GST has been charged for each item of goods<sup>25</sup>; and
- (b) The relevant GST information is presented or furnished in the following manner:
  - Where the delivery is made via air express companies (“AECs”), the GST registration number of the OVR Vendor should be furnished in the customs declaration via the Advanced Cargo Clearance of Express Shipments (ACCESS) system prior to the physical clearance of goods;
  - Where the delivery is made via air couriers, the GST registration number of the OVR Vendor should be furnished in the summary list of parcels/items to be imported or in the permit declared via TradeNet; and
  - Where the delivery is made via post, both pieces of relevant GST information i.e., GST registration number of the OVR Vendor and information on GST paid, should be presented in the “address

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<sup>25</sup> For example, OVR vendors can indicate the words “GST-paid” for each item for which GST was charged and collected at the point of sale.

field” of the CN22 or CN23<sup>26</sup> and/or the invoice or commercial document affixed to the exterior of the parcel or item<sup>27</sup>.

The importation will not be subject to GST at the border, if the relevant GST information is presented or furnished in the manner prescribed above. However, if the relevant GST information is not provided in time, or is missed out, the goods will be treated by Singapore Customs as an import for which GST is payable, unless the goods qualify for import relief.

#### 8.4 **Refund of GST by the OVR Vendor if double taxation occurs**

8.4.1 If the relevant GST information is not presented upon importation even though GST has been charged by the OVR Vendor on the LVG supply, double taxation would occur, as the goods would be treated as an import for which GST is payable and subject to import GST.

8.4.2 The customer should seek a reimbursement of GST from the OVR Vendor. The OVR Vendor **must** provide a refund to the customer if the customer is able to provide the following evidence to the OVR Vendor which substantiates that import GST was paid to Singapore Customs:

- (i) Tax invoice or permit notification issued by the AECs;
- (ii) Import permit; or
- (iii) GST payment receipt issued by SingPost.

8.4.3 The OVR Vendor may thereafter seek a refund by filing it in his next GST return if this GST is already accounted for in its return, and maintaining evidence that the GST charged at the point of sale has been refunded to the Customer.

### 9 **Determining where the supplier of the LVG belongs**

9.1 Under the overseas vendor registration regime, local and overseas suppliers would be required to charge GST on their supplies of LVG to customers who are not GST-registered in Singapore. Likewise, the electronic marketplace or redeliverer would charge and collect GST on all supplies of LVG to customers who are not GST-registered in Singapore, regardless of where the underlying suppliers belong.

9.2 Thus, the belonging status of the OVR Vendors matters only for the purpose of determining which registration threshold to apply. Please refer to **Annex A** for a summary of the GST treatment of B2C supplies of LVG and the applicable registration thresholds under various scenarios.

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<sup>26</sup> CN22 and CN23 refer to the special declaration forms for postal items as described in the Acts of the Universal Postal Union currently in force.

<sup>27</sup> For controlled goods imported via post, the GST registration number of the OVR Vendor should be furnished in the permit declared via TradeNet (if required by the respective Competent Authorities). Refer to [www.customs.gov.sg](http://www.customs.gov.sg) > Individuals > Buying over the Internet > Procedures for Postal Parcels for the permit requirements for goods bought online.

9.3 To determine where an OVR Vendor belongs, for consistency with current GST rules, the existing belonging status guidelines, as follows, will apply.

9.4 An OVR Vendor is treated as belonging in Singapore if:

- (i) he has a business establishment (“BE”) (i.e., an agency or a branch in Singapore) or fixed establishment (“FE”) only in Singapore; or
- (ii) he has a BE or FE both in Singapore and outside Singapore and the establishment of his which is most directly concerned with the supply is in Singapore; or
- (iii) he does not have a BE or FE in any country but his usual place of residence (i.e., place of incorporation or place of legal constitution) is in Singapore.

## **10 Determining whether a supply is a B2C supply of LVG**

10.1 As GST is applied only on B2C supplies of LVG under the extended overseas vendor registration regime, OVR Vendors are required to determine whether:

- (i) the goods are imported into Singapore; and
- (ii) the customer is GST-registered.

### **10.2 Whether goods are imported into Singapore**

10.2.1 Generally, an import refers to goods located overseas brought into customs territory. Under the extended OVR regime, a low-value good is regarded as imported into Singapore if the goods are delivered from outside Singapore to a recipient in Singapore.

10.2.2 An OVR Vendor may regard a supply of low-value goods as delivered from outside Singapore to a recipient in Singapore if:

- (i) The goods are located outside Singapore at the point of sale; and
- (ii) The shipping address indicated by the customer shows a Singapore address and the goods are delivered to that Singapore address.

### Example 11

While on a holiday overseas, Mr. Lim purchases a shirt for S\$100 from a GST-registered supplier, Supplier E, during an online sale event. Mr. Lim provides his Singapore home address for the shirt to be delivered to said address. Supplier E fulfils the order from its warehouse in China and arranges to ship the shirt from China to Mr. Lim's Singapore address via air freight.

Since the shirt is located outside Singapore at the point of sale, the shipping address indicated by the customer shows a Singapore address and the shirt will be delivered to that Singapore address via air freight, the supply of shirt is treated as a supply of LVG.

## 10.3 **Proxy to determine whether goods are located outside Singapore at the point of sale**

10.3.1 There may be certain scenarios where an electronic marketplace operator does not know whether the goods are located outside Singapore at the point of sale. To facilitate compliance, electronic marketplace operators may rely on the following alternative information as a proxy for the location of the goods:

- (i) Information provided by the supplier in the product listing regarding the location of the goods;
- (ii) Billing address of the supplier;
- (iii) Country code of mobile number or location of fixed land line of the supplier; and/or
- (iv) Bank account details of the supplier.

10.3.2 Where there is conflicting information on the location of the goods, the electronic marketplace operator should regard the goods as located outside Singapore. For example, if the supplier's billing address is a Singapore address and he has a Singapore bank account, but the product listing shows that the goods are shipped from overseas, the electronic marketplace operator must be able to consider all pieces of information available and accordingly, treat the goods as located outside Singapore at the point of sale.

## 10.4 **Whether the customer is GST-registered**

10.4.1 By default, OVR Vendors will treat the LVG as being supplied to a non-GST registered customer, and should charge and account for GST, unless the customer provides his GST registration number. The responsibility lies with the GST-registered customer to provide his GST registration number as evidence that he is indeed GST-registered.



- 10.4.2 OVR Vendors may rely on the GST registration number provided by their customers as proof of their GST registration<sup>28</sup>. Accordingly, OVR Vendors are not required to charge and account for GST on these supplies. However, OVR Vendors must maintain this customer information in their sales documentation for audit purposes.
- 10.4.3 If the OVR Vendor is unable to determine the GST registration status of its customers based on the abovementioned guidelines due to exceptional business circumstances, the OVR Vendor could seek approval from the Comptroller in writing for alternative methods of determination.
- 10.4.4 For example, if an OVR Vendor is able to determine the GST registration status of its customers based on the nature and value of the supplies made (e.g., provision of a specialised LVG associated with commercial use), he may write in and seek the Comptroller's approval to use an alternative method for identifying whether his customers are GST-registered persons.

## **11 Incorrect representation by customers**

- 11.1 Where GST-registered customers fail to provide their GST registration numbers and are incorrectly charged with GST, they should contact the OVR Vendors to obtain a refund, instead of claiming input tax on the purchases.
- 11.2 Correspondingly, the OVR Vendors will adjust and reduce the output tax to be accounted for in their GST returns, to take into account the GST that was collected and subsequently refunded. The OVR Vendors should also issue a credit note (or an equivalent document) to the customers for the refund and maintain proper record keeping on such transactions.
- 11.3 On the other hand, non-GST registered customers should not provide incorrect or false information to the OVR Vendors on the supplies of LVG. It is a serious offence for a non-GST registered customer to misrepresent himself as a GST-registered person for the purpose of avoiding GST. Upon conviction, offenders may face heavy penalties.

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<sup>28</sup> OVR Vendors are not required to validate or verify the GST registration number provided by the customer. Nonetheless, if an OVR Vendor wishes to validate or verify the GST registration number provided by the customer, it may verify against the [Register of GST-registered Businesses](#).

### Example 12

Company A's employee makes a purchase of LVG, on behalf of Company A, from local GST-registered electronic marketplace operator E. As the employee did not provide Company A's GST registration number to marketplace operator E, marketplace operator E charged GST on the supply of LVG and issued an invoice for the supply.

As GST has been incorrectly charged on this B2B supply of LVG, Company A is not allowed to claim input tax on the purchase, even if a valid tax invoice was issued by the marketplace operator. Instead, Company A should contact the marketplace operator E to obtain a refund of the GST.

## **12 Reverse charge on LVG**

- 12.1 If applicable, a GST-registered customer who is subject to the reverse charge ("RC business") should perform reverse charge on the purchase of LVG, unless the LVG procured is directly attributable to taxable supplies (*this exclusion is only applicable to a RC Business that is not prescribed a fixed input recovery rate or special input tax recovery formula to be applied on all input tax claims*).
- 12.2 For more information on the application of reverse charge on LVG, you may refer to the IRAS e-Tax Guide ["GST: Reverse Charge"](#).

## **13 Time of Supply**

- 13.1.1 GST-registered OVR vendors are required to charge and collect GST on all supplies of LVG made to customers who are not GST-registered in Singapore. For each transaction, the OVR Vendors need to determine when the supply has been made by applying the time of supply rules. As OVR Vendors, you are required to report the supply and account for GST (i.e., output tax) in your GST returns based on the time of supply.
- 13.1.2 The time of supply is triggered by the earlier of the following two events:
- (i) When payment is received; or
  - (ii) When an invoice (or any equivalent document that serves as a bill for payment) is issued.

**Example 13**

22 Mar 2023  
Issuance of invoice

23 Mar 2023  
Payment received

28 Mar 2023  
Goods delivered

Based on the time of supply rules, the time of supply is triggered at the invoice issuance date on 22 Mar 2023, i.e., the earlier of the issuance of the supplier's invoice and the date of payment. If your prescribed accounting periods are Jan-Mar, Apr-Jun, Jul-Sep and Oct-Dec, you shall account for GST on the LVG supplied in the prescribed accounting period ended 31 Mar 2023.

**13.2 Altering the time of supply for OVR Vendors under simplified pay-only registration**

- 13.2.1 To facilitate compliance, an OVR Vendor who is registered under the simplified pay-only registration regime may seek approval, in writing, from the Comptroller to alter the time of supply to a time or date that is earlier or later than would otherwise apply. However, the resulting time or date must not be more than one prescribed accounting period later than would otherwise apply.

#### Example 14



Company C is an OVR Vendor registered under the simplified pay-only registration regime. As part of its usual business practice, Company C does not issue invoices and records its sales at the time when goods are dispatched from its warehouse. The payment receipt date normally falls on the same date as the goods dispatch date, or a few days earlier than the goods dispatch date.

As the goods dispatch date of its supplies of LVG will not be more than one accounting period later than would otherwise apply (i.e., the payment receipt date), for compliance ease, Company C sought approval from the Comptroller to alter the time of supply for its supplies of LVG to the date on which goods are dispatched from its warehouse.

Under the normal time of supply rules, the time of supply would be triggered at the payment receipt date of 31 Mar 2023. GST would be accounted in the prescribed accounting period ended 31 Mar 2023. However, upon approval from the Comptroller, Company C may instead treat the time of supply as the goods dispatch date i.e., on 1 Apr 2023 and account for GST on the LVG supplied in the prescribed accounting period ended 30 Jun 2023.

### 13.3 **Supplies Straddling GST Registration Date**

13.3.1 Supplies of LVG made by an OVR Vendor may straddle its GST registration date. In such circumstances, if the invoice is issued and payment is received after the supplier's GST registration date, the supply of LVG shall be treated as taking place after the date of registration, and hence GST should be charged and accounted for on the supply of LVG.

13.3.2 However, if the LVG is removed or made available to the customer before the OVR Vendor becomes GST-registered, the OVR Vendor may instead rely on the date when the LVG is removed or made available and hence, not charge and account for GST on these supplies, if the customer so requests. The OVR Vendor however must maintain supporting documents (e.g., shipping documents) to substantiate that the LVG is removed or made available before its GST registration.

### 13.4 **Supplies Straddling GST De-Registration Date**

13.4.1 Likewise, supplies of LVG may straddle an OVR Vendor's GST de-registration date. In such circumstances, if the goods are removed or made

available to the customer before the OVR vendor becomes de-registered and GST has not been accounted for as at the date of de-registration, the supply of LVG shall (to the extent that it is not covered by any invoice issued or payment made) be treated as taking place on the day immediately before it ceases to be registered for GST.

- 13.4.2 In other words, OVR Vendors are required to charge GST on LVG removed or made available to the customer prior to GST de-registration.

## 14 Value of Supply

- 14.1 GST is charged based on the value of the supply at the time of supply. The value of the supply may be for a consideration in money or the open market value of the supply.

- 14.2 If the supply is for a consideration wholly in money, the equation of the value of supply is as follows:

$$\text{Value of Supply} + \text{GST} = \text{Monetary Consideration}$$

- 14.2.1 The value of supply of an LVG would **include amounts paid by the customer for related services such as transportation and insurance**<sup>29</sup>. This is because such services are generally ancillary or incidental to the primary supply of the LVG.

### Example 15

A GST-registered overseas fashion retailer, Supplier A, charges S\$200 for a supply of a dress and an additional S\$30 for the transportation and insurance costs to deliver the goods to Singapore. These amounts are before the addition of GST.

The value of supply of the dress is S\$230. The GST will be 8% of the value of supply at S\$230, which works out to S\$18.40. Supplier A collects a total monetary consideration of S\$248.40 from the customer, being the summation of the value of supply and GST amount.

- 14.3 If the supply is not for a consideration or is for a consideration not wholly consisting of money, then the value of supply is the Open Market Value (“OMV”) of the supply i.e., Value of Supply = OMV.

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<sup>29</sup> If the transportation and/or insurance services are provided for free (i.e., no consideration is received for these services), the value of supply would be the monetary consideration received from the customer in return for the sale of the LVG.

#### Example 16

An overseas GST-registered online seller of beauty products, Supplier B, engages a non-GST registered influencer in Singapore to undertake a one-off promotion of its products on social media. Supplier B and the influencer agree that, instead of the influencer charging a promotion fee of S\$100 to Supplier B, Supplier B will charge the influencer a lower amount of S\$50 for the influencer's purchase of Supplier B's products.

Notwithstanding the transaction price of S\$50, as the OMV of the supply of beauty products is S\$150, Supplier B is required to account for GST based on the OMV of S\$150. This amounts to GST of S\$12 (8% x S\$150), payable to the Comptroller.

- 14.4 If prices charged are inclusive of GST, you will report and account for GST by applying the tax fraction, 8/108, on the total consideration received from your customer.

#### Example 17

A GST-registered online seller of consumer electronics, Supplier C, charges S\$40 for a sale of a computer mouse to a customer in Singapore. Supplier C indicated in its terms and conditions that its prices are inclusive of GST. Supplier C has to account for GST of S\$2.96 (i.e., S\$40 x 8/108), and the value of supply will be S\$37.04 (S\$40 x 100/108).

#### 14.5 **Supply of international transportation and insurance of goods**

- 14.5.1 Under the existing rules in sections 21(3)(a), (b) and (c) of the GST Act, the supply of international transportation of goods and insurance of goods is zero-rated. This means that services provided by redeliverers in assisting with the transportation of LVG could qualify for zero-rating.
- 14.5.2 To preserve neutrality between redeliverers and overseas suppliers or electronic marketplace, where a supply of LVG is treated as supplied by a redeliverer, the redeliverer's services would be taxed in the same manner as the LVG.
- 14.5.3 In other words, the zero-rating provisions for international transportation of goods and insurance of such goods under sections 21(3)(a), (b) and (c) would **not** apply to a supply of services made by a GST-registered redeliverer in relation to LVG treated as being supplied by him. Any fees (including freight, insurance and administrative fees) charged by the redeliverer for its services would be subject to GST at the standard rate, if the services are supplied in relation to its supply of LVG.

### Example 18

Ms. Lee purchases a table lamp for S\$120 from an overseas supplier. However, as the overseas supplier does not offer shipping to Singapore, Ms. Lee engages the services of local GST-registered Company D, a redeliverer, to assist with the shipment of the table lamp to Singapore via air freight. Ms. Lee then furnishes the overseas forwarding address provided by Company D as the shipping address to the overseas supplier. The overseas supplier delivers the table lamp to the overseas forwarding address, and Company D in turn ships the table lamp to Ms. Lee in Singapore. Company D charges Ms. Lee S\$20 (excluding GST) for its shipping and administrative fees.

As Company D is regarded as the supplier of the goods, it is required to charge and account for GST on both the LVG and the transportation services it provides in relation to the LVG. Thus, Company D is required to charge and account for GST of S\$11.20 (i.e., S\$140 x 8%), and the total value of its supply of LVG and shipping services is S\$140 (i.e., S\$120 + S\$20).

## 14.6 **Apportionment of GST on transportation and insurance fees**

- 14.6.1 In some situations, a customer may purchase LVG and non-LVG in a single transaction. The OVR Vendor may charge a single delivery fee for the transportation and insurance of all the goods. In such cases, an apportionment of the value of transportation and insurance fees is required. The portion of the transportation and insurance fees charged in relation to the delivery of the LVG will be subject to GST. The remaining portion of transportation and insurance fees charged in relation to the delivery of the non-LVG will not be subject to GST.
- 14.6.2 The OVR Vendor may use any proxy that is considered fair and reasonable in the context of its supply in apportioning the value of the transportation and insurance fees. For example, the OVR Vendor may use the weight, volumetric weight or value of the LVG, relative to that of the non-LVG, as a proxy to apportion the value of the transportation and insurance fees.
- 14.6.3 It is not necessary to seek approval from the Comptroller in applying a proxy for the apportionment. However, the proxy chosen should be based on a consideration of all the circumstances and not because it gives a particular result. The proxy chosen should also be consistently applied throughout all relevant transactions.

## 14.7 **Discount given to customers**

- 14.7.1 Where a discount is given on the selling price of the LVG or related transportation and insurance services, and the discount is wholly borne by the OVR Vendors (or underlying suppliers in the case of sales through an

electronic marketplace), the sales value of LVG for the purpose of ascertaining if it exceeds the entry value threshold and the value of LVG for the purpose of charging of GST are determined as follows:

- (i) Sales value of LVG = selling price – any discount on selling price
- (ii) Value of supply of LVG = (selling price – any discount on selling price) + (transportation and insurance services – any discount on transportation and insurance services)

#### Example 19a

Supplier E is a local GST-registered electronic marketplace operator. It issues product or shipping discount vouchers to its users, for free, as part of its promotions.

- (i) Mr. Lim purchases a headset on Supplier E's marketplace for a GST-exclusive price of S\$205, including shipping fees of S\$5. The headset will be imported into Singapore via air freight. During checkout, Mr. Lim applies a seller discount voucher which entitles him to a 10% discount on the price of the product.

The sales value of the supply is S\$180 (S\$200 x 90%). The value of supply for Supplier E's sale of the headset is the net discounted price of S\$185 (S\$200 x 90% + shipping fees of S\$5). Accordingly, Supplier E should charge GST of S\$14.80 (S\$185 x 8%).

- (ii) Ms. Tan purchases a watch on Supplier E's marketplace for a GST-exclusive price of S\$360, including shipping fees of S\$10. The watch will be imported into Singapore via air freight. Ms. Tan applies a S\$5 shipping discount voucher during checkout.

The sales value of the supply is S\$350 (excluding shipping fees of S\$10). The value of supply for Supplier E's sale of the watch is the net discounted price of S\$355. Accordingly, Supplier E should charge GST of S\$28.40 (S\$355 x 8%).

- 14.7.2 Where the discount given by the OVR Vendors applies to multiple items, OVR Vendors may apportion the discount, in a manner consistent with its usual accounting practices, to derive the net discounted price of the goods for the purpose of determining the sales value and value of supply of the LVG.



### Example 19b

(iii) Ms. Goh purchases a dress from a seller on Supplier E's marketplace with a GST-exclusive listed price of S\$80, as well as a watch with a GST-exclusive price of S\$500. In addition, a shipping fee of S\$10 is charged to deliver the goods to Singapore via air freight. During checkout, Ms. Goh applies the following vouchers which entitle her to discounts on the prices of the products:

- item discount voucher of S\$12 applicable on the watch;
- seller discount voucher of S\$15; and
- platform discount voucher of S\$20.

In line with its usual accounting practices, Supplier E apportions the value of discounts and shipping fees between the dress and the watch based on the listed price of each item. Accordingly, the sales value and value of supply are computed as such:

Sales value of dress:

$$S\$80 - S\$15 \times (S\$80/S\$580) - S\$20 \times (S\$80/S\$580) = S\$75.17$$

Sales value of watch:

$$S\$500 - S\$15 \times (S\$500/S\$580) - S\$20 \times (500/580) - S\$12 = S\$457.83$$

As the sales value of the dress falls within the entry value threshold of S\$400, Supplier E is required to charge and account for GST on the value of supply of the dress.

Value of supply of dress:

$$S\$75.17 + \text{shipping fee of } S\$10 \times (S\$80/S\$580) = S\$76.55$$

GST chargeable on dress:

$$S\$76.55 \times 8\% = S\$6.12$$

14.7.3 Where the discount given is funded by other third-parties (e.g., discount funded by banks if payment is made with a particular credit card) and the OVR Vendor is able to seek reimbursement from the bank for the discount given, the sales value and value of supply should be calculated based on the gross selling price before discount.

14.7.4 For more information on the GST treatment of vouchers and credit card reward schemes, please refer to the e-tax guides ['GST Treatment of Vouchers'](#) and ['GST: Guide for The Banking Industry'](#) respectively.

### Example 19c

(iv) Ms. Ong purchases a carton of diapers on Supplier E's marketplace, with a GST-exclusive listed price of S\$70. Additionally, shipping fees of S\$2 is charged for the delivery of the goods to Singapore via air freight. During checkout, Ms. Ong applies a bank discount voucher which entitles her to a S\$5 discount of the total amount payable.

As the bank discount voucher is funded by the bank, Supplier E would subsequently receive a reimbursement of S\$5 from the bank. The sales value and value of supply should therefore be computed based on the gross selling price before discount.

Accordingly, the sales value of the LVG is S\$70 and the value of supply is S\$72. GST of S\$5.76 (S\$72 x 8%) is chargeable on the supply of LVG.

## 14.8 **Refund for returned goods**

14.8.1 An OVR Vendor may have a return goods policy where it will refund the selling price and GST for the return of defective goods. The OVR Vendor should issue a credit note (or an equivalent document) to the customers for the refund, and maintain proper record keeping on such transactions. Adjustments should be made to the value of standard-rated supplies (Box 1) and output tax (Box 6) in the GST return for the accounting period in which the credit note is issued, to the extent that GST was correctly accounted for on the original transaction in the earlier GST return.

14.8.2 For more information on the GST treatment of refunds for returned goods, please refer to the webpages on [returned goods](#)<sup>30</sup> and [credit note](#)<sup>31</sup>.

## 14.9 **Sales made in Foreign Currency**

### **Determining the entry value of goods sold in foreign currency**

14.9.1 For the purpose of determining whether the goods sold in foreign currency falls within the entry value threshold, OVR Vendors should convert the entry value of the foreign currency-denominated supplies using an acceptable exchange rate<sup>32</sup> at the point of sale<sup>33</sup>.

<sup>30</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Working out your taxes > Common scenarios - Do I charge/ deem/ claim GST > Customer

<sup>31</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Learning the basics > How to implement GST > Invoicing, Price Display and Record Keeping

<sup>32</sup> Please refer to the e-Tax Guide '[GST: Exchange Rates for GST Purpose](#)' for the definition of acceptable exchange rates

<sup>33</sup> The point of sale refers to the time at which an order confirmation is issued by the OVR Vendor or such other time as agreed with the Comptroller.

### Example 20a

Electronic marketplace operator F, a GST-registered person, sells and delivers a headset to a customer in Singapore. The sales value of the headset is US\$230, excluding transportation and insurance costs of US\$10.

At the point of sale, the prevailing acceptable exchange rate used by marketplace operator F is US\$0.75 to S\$1. Marketplace operator F therefore determines the Singapore dollar equivalent of the sales value of the goods to be S\$306.67. Since the sales value of the goods fall within the entry value threshold and fulfils all the conditions to be treated as an LVG, marketplace operator F is required to charge and collect GST on the supply of the headphones.

### **Determining the value of supply of goods sold in foreign currency**

14.9.2 For the purpose of converting the value of supply for foreign currency transactions to Singapore dollar equivalents for the accounting of GST, the same rules under the current OVR regime for digital services would apply. In other words, the supplier would be allowed to adopt the prevailing acceptable exchange rate at the following time periods:

- The time of supply;
- The end of the taxable period; or
- The time of filing the GST return.

14.9.3 The adopted time period for foreign currency conversion should be consistently applied on all supplies under the extended OVR regime for at least one year from the end of the filing period in which the time period was first chosen.

### Example 20b

Following the determination that GST is chargeable on the supply of headset, Electronic marketplace operator F charged and collected GST of US\$19.20 (US\$240 x 8%) on the value of supply of the headset at US\$240, including transportation and insurance fees.

For the purposes of accounting of GST to IRAS, marketplace operator F elected to use the prevailing acceptable exchange rate at the end of the taxable period. At the end of the relevant taxable period in which the headset was sold, the prevailing acceptable exchange rate is US\$0.72 to S\$1.

The amount of GST to be accounted by marketplace operator F for the sale of headset is S\$26.67 (US\$240 / US\$0.72 x 8%).

- 14.9.4 You may refer to Appendix A of the e-Tax Guide '[GST: Exchange Rates for GST Purpose](#)' for a list of acceptable exchanges rate to be adopted. Alternatively, OVR Vendors that would like to adopt an in-house exchange rate that is based on sources other than those listed in Appendix A may write to the Comptroller for approval with the necessary information. You may refer to Paragraph 5 of the e-Tax Guide "GST: Exchange Rates for GST Purpose" for instructions on how to do so.

## **15 Verifying the value of LVG declared by customers using redeliverers**

- 15.1 Currently, for the purpose of determining the value of the goods to be imported on behalf of their customers, redeliverers would rely on the value of the goods stated in the commercial invoice/ receipt included in the parcel or the value of the goods as declared by the customer. If the value of the goods is declared by the customer, redeliverers would typically verify the value against the supplier's commercial invoice/ receipt or other information furnished by the customer (e.g., the supplier's weblink to the product).
- 15.2 Where the redeliverer satisfies the conditions to be regarded as the supplier of the LVG, the redeliverer is responsible for ensuring that the entry value and value of supply of the LVG are correctly determined. Hence, for the purpose of determining the entry value and the value of supply of the LVG, redeliverers should continue to rely on the value stated in the commercial invoice/ receipt from the supplier. Should the redeliverers choose to rely on the declaration by the customer instead, the redeliverers should still verify the value declared by the customer against the supplier's commercial invoice/ receipt or other relevant information provided by the customer.

## 16 Determining the entry value threshold for supplies of multiple goods

- 16.1 When a customer who is not GST-registered in Singapore purchases multiple goods from an OVR Vendor, the OVR Vendor may bundle and ship the goods in a single consignment or as individual consignments. Regardless of the way the goods are bundled for shipment, the goods should be disaggregated and valued separately as separate items even if the combined value of the consignment were to be greater than the entry value threshold. In other words, the entry value threshold would apply individually to each item of goods supplied.

### Example 21

Overseas Supplier A sells 5 business shirts to a customer who is not GST-registered in Singapore. The sales value of each business shirt is S\$90, excluding air transport costs. Supplier A is required to apply the entry value threshold individually to each item of goods supplied. Since the sales value of each business shirt is below the entry value threshold, Supplier A must regard the supplies of the business shirts as supplies of LVG, and charge GST on the value of supply of each item of goods. This is notwithstanding that the total sales value of the goods supplied to the customer exceeds S\$400.

### 16.2 **Exception to apply the entry value threshold on a per-consignment basis**

- 16.2.1 As an exception, OVR Vendors may make an election to apply the entry value threshold on a per-consignment<sup>34</sup> basis, as opposed to on individual goods supplied, if the following conditions are fulfilled:
- (i) The OVR Vendor has full oversight of the supply and logistics chain;
  - (ii) The OVR Vendor has put in place a business procedure or process that enables it to determine, at the point of sale, if the goods ordered by the customers would be shipped and delivered as a single consignment;
  - (iii) The business procedure or process in (ii) is documented, and agreed upon with the underlying suppliers in the case of electronic marketplaces; and

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<sup>34</sup> Goods are considered as shipped in a single consignment for OVR purposes if, based on Singapore Customs' guidelines, they are treated as a whole for the purpose of determining the total CIF value of imported goods. In other words, all goods consigned to the same importer and arriving in Singapore on the same flight would be treated as a single consignment of goods for OVR purposes, even if the goods are covered by different freight documents. For more information on determining the total CIF value for importation purposes, please refer to Singapore Customs' webpage on [Importing by Postal or Courier Service](#).

- (iv) The OVR Vendor is able to make the necessary GST adjustments should there be subsequent changes to the customers' orders (e.g., change in price, quantity or weight of the goods ordered) that would affect the value of the consignment.

16.2.2 An OVR Vendor is regarded as having full oversight of the supply and logistics chain if he is either also the transporter of the LVG (i.e., a redeliverer), or he appoints the transporter of the LVG with the understanding that the consignment will not be repackaged during transit to the customer.

16.2.3 In the case of an electronic marketplace operator, where the transporter is appointed by the underlying supplier, the electronic marketplace operator will be regarded as having full oversight of the supply and logistics chain if the business procedure or process in Paragraph 16.2.1(ii) has been agreed upon with every underlying supplier and on that basis, the electronic marketplace operator is able to ensure that the appointed transporter will ship and deliver the goods as a single consignment.

16.2.4 To make the election, the OVR Vendor is required to complete and submit the "[Election form for LVG](#)"<sup>35</sup>. If all the conditions in Paragraph 16.2.1. are fulfilled, once the election form is submitted, the OVR Vendor may apply the entry value threshold on a per-consignment basis as illustrated in the example below.

#### Example 22

Overseas Supplier B sells a suit at S\$350 and a business shirt at S\$190 to a customer who is not GST-registered in Singapore, excluding GST and air transportation costs. At the point of sale, Supplier B is able to determine that the suit and the business shirt would be bundled and shipped in a single consignment. Supplier B appoints a transporter to assist with the delivery of the goods to the customer in Singapore.

Supplier B had assessed that it is able to fulfil all the conditions to apply the entry value threshold on a per-consignment basis and had made an election to do so. Accordingly, since the entire consignment is valued at S\$540 (i.e., above the entry value threshold), Supplier B need not charge GST on its supply at the point of sale.

The transporter appointed by Supplier B will take up the relevant import permit and make payment for the GST to Singapore Customs at the border.

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<sup>35</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > Forms > GST > Others

## 17 Exception to apply GST on LVG imported via sea or land

- 17.1 Under the overseas vendor registration regime for LVG, GST is only applicable if the LVG is imported into Singapore via air or post, amongst other conditions. However, there may be circumstances where, at the point of sale, the OVR Vendor is not able to determine the mode of shipment of the goods (i.e., whether the goods will be shipped via air, post, sea or land).
- 17.2 To facilitate compliance, as an exception, local and overseas OVR Vendors may seek the Comptroller's approval to also charge GST on LVG imported via sea and land. OVR Vendors will have to satisfy the Comptroller that they have genuine difficulties in determining the mode of shipment of the goods at the point of sale.
- 17.3 In other words, if the OVR Vendor has been granted approval to apply GST on LVG imported via sea and land (referred to as the "approved OVR Vendor"), the approved OVR Vendor would effectively be allowed to apply GST on LVG imported via all modes of shipment (i.e., air, post, sea and land). The approved OVR Vendor would not be required to distinguish the mode of shipment of the LVG for the purpose of determining whether GST is applicable.
- 17.4 To prevent double taxation where the goods are taxed at the point of sale by the approved OVR Vendor, but are taxed again at the border, the following requirements will apply:
- (a) The approved OVR Vendor should include the relevant GST information in the commercial document, which is passed through the logistics chain. The relevant GST information refers to the GST registration number of the approved OVR Vendor and the amount of GST paid or an indication to show whether GST has been charged for each item of goods<sup>36</sup>; and
  - (b) The GST registration number of the approved OVR Vendor should be furnished in the relevant permit declared through the TradeNet system to Customs.

The importation will not be subject to GST at the border if the GST registration number of the approved OVR Vendor is furnished in the TradeNet declaration. However, if the relevant information is not provided in time, or is missed out, the goods will be treated by Singapore Customs as an import for which GST is payable.

- 17.5 To obtain the Comptroller's approval to apply GST on LVG imported via sea or land, the OVR Vendor is required to complete and submit the ["Application to charge GST on LVG imported via sea/ land" form](#)<sup>37</sup>. The OVR Vendor

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<sup>36</sup> For example, OVR vendors can indicate the words "GST-paid" for each item for which GST was charged and collected at the point of sale.

<sup>37</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > Forms > GST > Others

must indicate the reason it is not able to determine the mode of shipment of the goods at the point of sale, such as:

- In the case of an electronic marketplace operator, LVG supplied through the marketplace could be fulfilled directly by third-party sellers. Hence, the operator would not know the mode of shipment at the point of sale; or
- The mode of transport used by the appointed transporter of the OVR Vendor will only be confirmed after the sale as part of the OVR Vendor's post-sale logistics process.

### Example 23

Electronic marketplace operator C sells a watch with a sales value of S\$350, on behalf of an overseas underlying supplier, to a non-GST registered customer. The mode of shipment of the watch will be decided by the overseas underlying supplier. Thus, at the point of sale, marketplace operator C does not know how the goods will be shipped to Singapore.

As marketplace operator C had sought and obtained the Comptroller's approval to apply GST on LVG imported via sea and land, marketplace operator C will charge and account for GST on the supply of the watch, regardless of how the watch will subsequently be shipped to Singapore.

## **18 Transitional Rules**

- 18.1 Special transitional rules apply to transactions made by OVR Vendors that straddle the implementation date of 1 Jan 2023.

### **Where invoice is issued before 1 Jan 2023**

- 18.2 Transactions whereby a supply of LVG will be treated as straddling the implementation date of 1 Jan 2023 and subject to the transitional rules include supplies where:

- (i) the supplier's invoice is issued before 1 Jan 2023<sup>38</sup>; and
- (ii) the goods are removed or made available<sup>39</sup> to the customer and payment is received on/after 1 Jan 2023.

- 18.3 A supply of LVG straddling 1 Jan 2023 is subject to GST, to the extent of the payment received on or after 1 Jan 2023 or the value of the goods which

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<sup>38</sup> However, if the supplier's invoice is issued before 16 Feb 2021, the supply will not be subject to the transitional rules and no GST needs to be accounted.

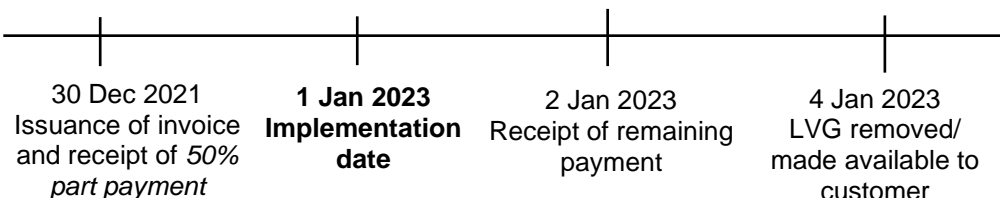
<sup>39</sup> For example, when goods are delivered, they would be treated as removed or made available to the customer.



have been removed or made available to the customer, whichever value is lower.

- 18.4 If full payment is received or the goods are fully removed or made available to the customer before 1 Jan 2023, the transaction would be outside the scope of GST.
- 18.5 Where part of the payment is received or part of the goods is removed or made available to the customer after 1 Jan 2023, this remaining part of the payment or part of the goods that is removed or made available to the customer on or after 1 Jan 2023 would be subject to GST. GST should be accounted for on the lower of the value of the remaining payment or goods removed or made available to the customer on or after 1 Jan 2023.
- 18.6 You may apportion the value of goods removed or made available to the customer on or after 1 Jan 2023 based on appropriate methods such as your normal costing or pricing system.
- 18.7 A supply of LVG straddling 1 Jan 2023 should be reported in the GST return for the accounting period in which the later of the following falls:
- (i) 1 Jan 2023; and
  - (ii) the effective date of your GST registration.

**Example 24**

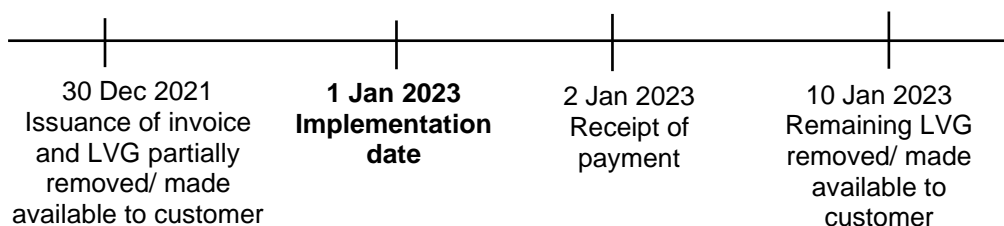


Notwithstanding that the invoice is issued and part payment is received before the implementation date, as remaining payment is received and the LVG is removed/ made available to the customer after 1 Jan 2023, GST will be applicable on the remaining payment received on 2 Jan 2023, as the value of the remaining payment is lower than that of the value of the LVG removed/ made available to the customer on or after 1 Jan 2023. The GST applicable on the supply should be accounted for and reported in the OVR Vendor's first GST return.

- 18.8 There may also be rare instances where the LVG is partially removed/made available to the customer before the implementation date, and the remaining LVG is removed/ made available after the implementation date. The example below illustrates the GST applicable in such circumstances.

### Example 25

Overseas Supplier A is an online retailer which sells fully kitted road bicycles that come with various cycling gear such as saddle bag, bottle holder, lights and helmet. Supplier A sold a bicycle to a customer in Singapore. However, as Supplier A did not have the helmet and saddle bag in stock, Supplier A agreed with the customer to first deliver the bicycle and the cycling gear which are in stock. The helmet and saddle bag will be separately delivered to the customer at no extra charges



Notwithstanding that the invoice is issued and part of the LVG is removed/ made available before the implementation date, as the remaining LVG is removed/ made available to the customer on or after 1 Jan 2023, GST will be applicable on the remaining portion of the LVG removed/ made available to the customer on or after 1 Jan 2023, as the value of the remaining LVG removed/made available<sup>40</sup> is lower than that of the value of payment received on or after 1 Jan 2023. The GST applicable on the supply should be accounted for and reported in Supplier A's first GST return.

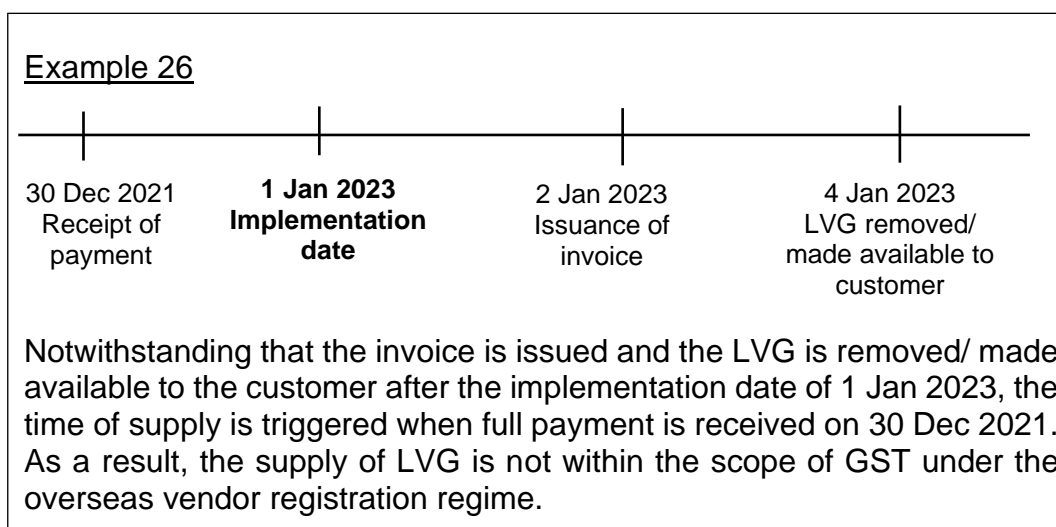
### **Where invoice is issued on or after 1 Jan 2023**

- 18.9 The general time of supply rules will apply, unless you elect otherwise (as elaborated in Paragraph 18.10). The issue of invoice will trigger the time of supply for supplies of LVG straddling 1 Jan 2023 such that the entire value will be subject to tax. However, if part of the payment is received before 1 Jan 2023, only the corresponding part of the payment received on/ after 1 Jan 2023 will be subject to tax. If full payment is made before 1 Jan 2023, the supply of LVG will not be subject to tax.
- 18.10 Alternatively, you may elect<sup>41</sup> to subject the supply of LVG to tax to the extent the goods are removed/ made available to the customer or payment is received on/ after 1 Jan 2023, similar to the treatment for a supply of LVG where invoice is issued before 1 Jan 2023. In other words, if the goods are fully removed/ made available to the customer before 1 Jan 2023, notwithstanding that the invoice is issued and payment is received on/ after 1 Jan 2023, the supply of LVG need not be subject to tax.

<sup>40</sup> A reasonable attribution of the value of the remaining LVG removed or made available to the customer should be made by the OVR Vendor.

<sup>41</sup> There is no need for you to complete any form or to seek prior approval from the Comptroller for this election. You are only required to maintain documentary evidence of when invoice is issued, payment is received, and services are performed.

- 18.11 **Annex C** sets out the application of GST on transactions straddling 1 Jan 2023 under various scenarios.



## 19 What does this mean for customers?

- 19.1 With effect from 1 Jan 2023, a supply of LVG by GST-registered OVR Vendors will be subject to GST.
- 19.2 If you are a GST-registered customer and are making the purchase of LVG for the purposes of your business, you are required to provide your GST registration number to the OVR Vendor so that GST will not be charged. Thereafter, you are required to perform reverse charge on the LVG if you are not entitled to full input tax credit or belong to GST groups that are not entitled to full input tax credit.
- 19.3 If you are a GST-registered customer and have been wrongly charged GST on the purchase of LVG by an OVR Vendor, you should not claim the GST as your input tax. Instead, you should contact the OVR Vendor to seek a refund.
- 19.4 Non-GST registered customers and GST-registered customers purchasing LVG for non-business purposes should not provide incorrect or false information to the OVR Vendors. Customer misrepresentation is a serious offence. Upon conviction, offenders may face heavy penalties.

## 20 Compliance and Enforcement

- 20.1 Overseas OVR Vendors registered under the overseas vendor registration regime are subject to the same penalty and compliance regime as domestic GST-registered persons.

20.2 Penalties may apply in the following scenarios:

- (i) Failure or late notification for GST registration;
- (ii) Late or non-filing of GST returns;
- (iii) Submission of incorrect GST returns;
- (iv) Late or non-payment of GST due;
- (v) Failure to maintain proper record keeping; and
- (vi) Failure to comply with the responsibilities of a GST-registered person in Singapore.

For more information about penalties, you may refer to our webpages relating to late notification of GST registration<sup>42</sup>, late filing and payment of GST returns<sup>43</sup>, submission of incorrect GST returns<sup>44</sup>, and non-compliance with GST obligations<sup>45</sup>.

## 21 Frequently asked Questions

21.1 *Does the GST registration of overseas OVR Vendors under the overseas vendor registration regime constitute a permanent establishment (“PE”) for income tax purposes?*

The registration of an overseas OVR Vendor for GST purposes in Singapore would not on its own be a determining factor for whether it has PE in Singapore. Singapore will continue to rely on its domestic income tax law and the provisions of its Avoidance of Double Taxation Agreements to determine whether the overseas OVR Vendor has a PE in Singapore for income tax purposes.

21.2 *Do the suppliers or electronic marketplaces need to account for GST on a supply of goods if the customer appoints his own freight forwarder to pick up the goods from the supplier or electronic marketplaces for delivery to Singapore?*

No. If the customer makes his own arrangements to appoint a freight forwarder for the transportation of the goods to Singapore, and the supplier or electronic marketplace operator does not know the delivery address of the customer, the supplier or electronic marketplace operator will not be required to account for GST on the supply of goods.

However, if the customer appoints a redeliverer which provides or facilitates the use of an address outside Singapore for delivery of the goods and also

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<sup>42</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > Non-GST registered businesses > Registering for GST > Do I Need to Register for GST

<sup>43</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Filing your taxes > Late Filing or Non-Filing of Tax Returns

<sup>44</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Filing your taxes > Correcting Errors Made in GST Return (Filing GST F7)

<sup>45</sup> Accessible at [www.iras.gov.sg](http://www.iras.gov.sg) > GST > GST-registered businesses > Learning the basics > How to implement GST > Responsibilities of GST-Registered Businesses

delivers or facilitates the delivery of goods to Singapore, the redeliverer will be regarded as the supplier of the LVG.

**21.3** *What is the GST treatment for supplies of LVG made through multiple electronic marketplaces?*

In the event where the supplies of LVG are made through multiple electronic marketplaces, the first marketplace operator that authorises a charge or receives a payment from the customer in Singapore for the supply will be regarded as the supplier of the LVG, and is required to charge and account for GST on the supplies.

**21.4** *Can overseas OVR Vendors register under the full regime (i.e., normal regime) instead of the simplified pay-only regime to claim input tax incurred on purchases?*

Overseas OVR Vendors may choose to register under the full regime to claim input tax, if their operations are such that they incur GST on purchases of goods and services from GST-registered suppliers in Singapore. Such entities should carefully consider the benefits of administrative cost savings from simplified compliance under the pay-only regime versus the infrequent occasions for claiming of input tax under the full regime when choosing which regime to register under.

**21.5** *Do overseas OVR Vendors need to charge and account for GST on other taxable supplies made in Singapore (apart from supplies of LVG)?*

Once registered for GST, overseas OVR Vendors must charge and account for GST on all taxable supplies. For example, besides accounting for GST on supplies of LVG to customers who are not GST-registered in Singapore, overseas OVR Vendors must also account for GST on any remote services supplied to non-GST registered customers belonging in Singapore, any local sale of goods to customers in Singapore as well as any supply of services made by their business or fixed establishment in Singapore.

**21.6** *A local GST-registered entity may have both local and overseas business/ fixed establishments (i.e., head office in Singapore with branches overseas). Does GST need to be accounted on supplies of LVG made by the overseas establishment to customers who are not GST-registered in Singapore?*

If the local and overseas establishments are part of the same GST-registered legal entity, the GST-registered entity must account for GST on all supplies of LVG made by its overseas establishments to customers who are not GST-registered in Singapore.

**21.7** *If a customer is not registered for GST at the time of supply of the LVG, but becomes registered for GST prior to the importation of the LVG, what is the GST treatment to be adopted by the OVR Vendor?*

As the customer is not registered for GST at the time of supply of the LVG, the OVR Vendor is required to charge GST on the supply of LVG. The OVR Vendor is not required to refund the GST to the customer when the customer subsequently registers for GST. Instead, the customer may claim the pre-registration input tax incurred, if he satisfies both the general rules of input tax claims and the pre-registration GST rules.

## 22 Contact Information

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

## 23 Updates

	<b>Date of amendment</b>	<b>Amendments made</b>
1	1 Jan 2023	<ul style="list-style-type: none"><li>• Amended examples 15 to 20 to reflect the rate change from 7% to 8% with effect from 1 Jan 2023</li><li>• Updated paragraphs 5.4.2, 7.3.2, 16.2.4 and 17.5 and footnotes 4, 12, 36 and 38 to provide the weblinks to the relevant application/election forms</li><li>• Other editorial changes</li></ul>

## Annex A – GST treatment of LVG and registration requirements under various scenarios

### (1) Determining the person responsible for GST collection

Supplies of LVG under various scenarios:		Suppliers	
		Local	Overseas
Direct Sales <sup>46</sup>	Person responsible for GST collection	Suppliers	Suppliers
Supplies via electronic marketplaces	Person responsible for GST collection	Electronic marketplace operators	Electronic marketplace operators
Purchases and delivery via redeliverers	Person responsible for GST collection	Redeliverers	Redeliverers

### (2) Determining the GST registration liability

	Local		Overseas	
	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers
<b>GST registration threshold</b>	Domestic registration threshold		Two-tier registration threshold	
<b>Supplies to be included for determining</b>	1. Direct sales of LVG to customers who are not GST-registered in Singapore <sup>47</sup>	1. Supplies of LVG to non-GST registered customers made by local and overseas underlying suppliers	<u>Under the first-tier of S\$1m global turnover:</u> 1. All supplies of goods and services which would have been taxable if	<u>Under the first-tier of S\$1m global turnover:</u> 1. All supplies of goods and services which would

<sup>46</sup> Direct sales refer to goods that are supplied directly by local and overseas suppliers to customers who are not GST-registered in Singapore (e.g., through the supplier’s own website), instead of supplying the goods through an electronic marketplace or redeliverer.

<sup>47</sup> Where the sales of LVG warehoused overseas are supplied via an EMO to customers who are not GST-registered in Singapore, such sales should be excluded for the purpose of determining the GST registration liability of the local supplier. Instead, the EMO will be responsible for the GST on such supplies.

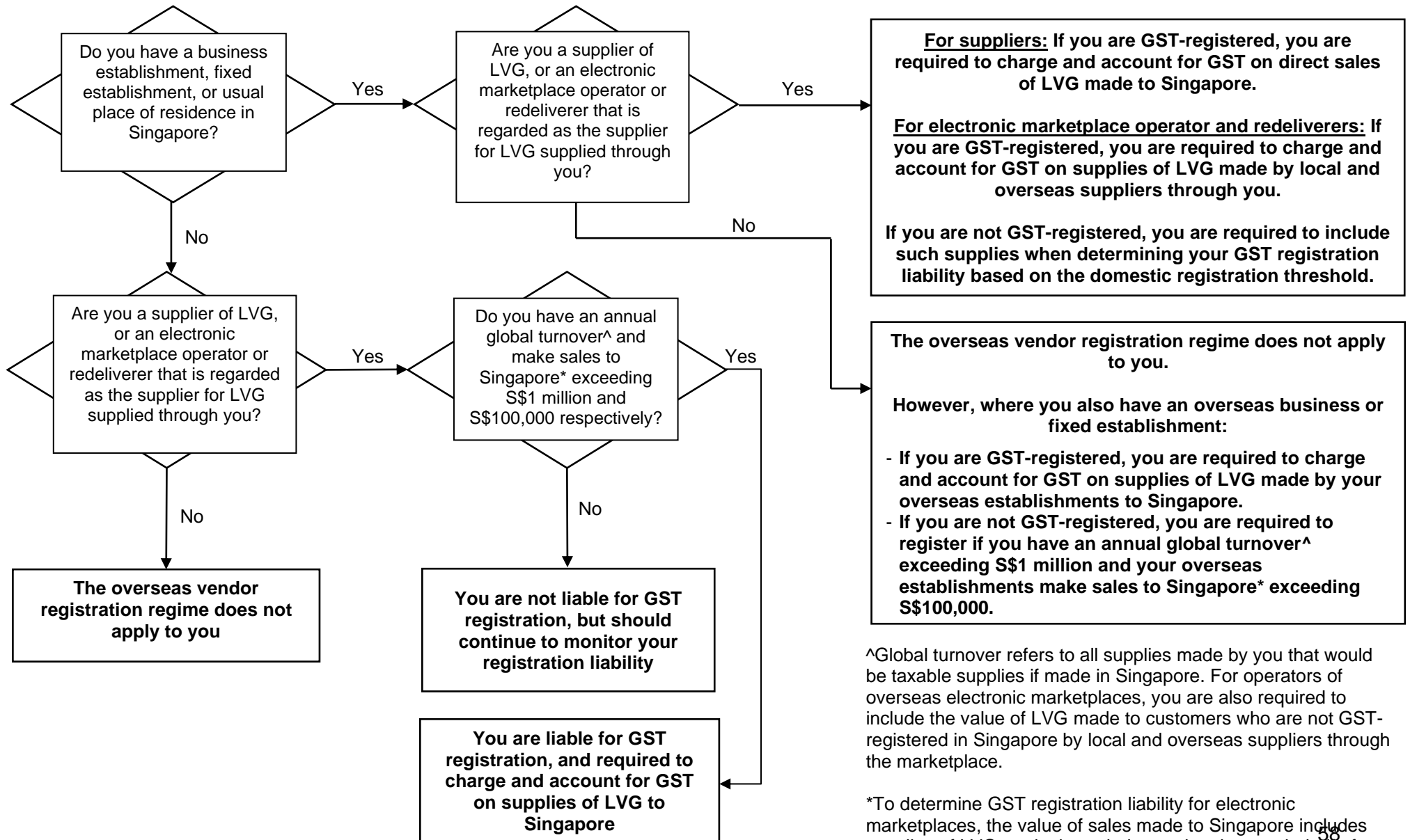
	Local		Overseas	
	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers
<b>liability to register</b>	<p>2. Direct sales of goods located in Singapore to GST-registered and non-GST registered customers</p> <p>3. Sales of goods located in Singapore, supplied via EMOs, to GST-registered and non-GST registered customers</p> <p>4. All other taxable supplies of goods and services</p>	<p>via the EMO or redeliverer</p> <p>2. Supplies of remote services to non-GST registered customers made by overseas underlying suppliers via the EMO (if any)</p> <p>3. All other taxable supplies of goods and services (e.g., sale of own goods located in Singapore, service fees charged to suppliers and customers)</p>	<p>made in Singapore. This includes direct sales of LVG to customers who are not GST-registered in Singapore</p> <p><u>Under the second-tier of S\$100,000 Seventh Schedule supplies:</u></p> <p>2. Direct sales of LVG to customers who are not GST-registered in Singapore</p> <p><i>Note: If you are an overseas supplier who only makes supplies of LVG through an EMO or redeliverer who fulfil the conditions to be regarded as the supplier of the LVG<sup>48</sup>, you will not be liable for GST registration. Instead, the EMO or redeliverer who is regarded as the supplier of the LVG</i></p>	<p>have been taxable if made in Singapore</p> <p>2. Supplies of LVG made by local and overseas underlying suppliers to non-GST registered customers via the EMO or redeliverer</p> <p>3. Supplies of remote services to non-GST registered customers made by overseas underlying suppliers via the EMO (if any)</p> <p><u>Under the second-tier of S\$100,000 Seventh Schedule supplies:</u></p> <p>4. Supplies of LVG to non-GST registered customers made by local and overseas underlying suppliers via the EMO or redeliverer</p>

<sup>48</sup> Please refer to Paragraphs 6.2 and 6.6 for the conditions for EMOs and redeliverers to be regarded as the supplier of the LVG.



	Local		Overseas	
	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers	Suppliers	Electronic marketplace operators (“EMO”) and redeliverers
			<i>will be responsible for the GST on the supplies of LVG made by you through the EMO or redeliverer.</i>	5. Supplies of remote services to non-GST registered customers made by overseas underlying suppliers via the EMO (if any)  6. Own supplies of LVG to customers who are not GST-registered in Singapore (if any)

## Annex B – Determining whether the OVR regime applies to you



^Global turnover refers to all supplies made by you that would be taxable supplies if made in Singapore. For operators of overseas electronic marketplaces, you are also required to include the value of LVG made to customers who are not GST-registered in Singapore by local and overseas suppliers through the marketplace.

\*To determine GST registration liability for electronic marketplaces, the value of sales made to Singapore includes supplies of LVG made through the marketplace on behalf of local and overseas suppliers.

## Annex C – Checklist for the taxability of transactions straddling 1 Jan 2023

### (1) Supplier's invoice issued before 1 Jan 2023

Date of payment receipt	Date of goods being removed or made available to customer	Subject to GST?	Remarks
Before 1 Jan 2023	Before 1 Jan 2023	No	When full payment is received and/or goods are fully removed or made available to the customer before 1 Jan 2023, the transaction is not subject to GST.
	Part before and part on/ after 1 Jan 2023		
	On or after 1 Jan 2023		
Part before and part on/ after 1 Jan 2023	Before 1 Jan 2023		
On or after 1 Jan 2023			
On or after 1 Jan 2023	Part before and part on/ after 1 Jan 2023	Partial	The part of the goods removed or made available on/ after 1 Jan 2023 is subject to GST.
Part before and part on/ after 1 Jan 2023	On or after 1 Jan 2023	Partial	The part payment received on/ after 1 Jan 2023 is subject to GST.
Part before and part on/ after 1 Jan 2023	Part before and part on/ after 1 Jan 2023	Partial	The <u>lower</u> of the payment received, or value of goods removed or made available, on/ after 1 Jan 2023 is subject to GST.
On or after 1 Jan 2023	On or after 1 Jan 2023	Yes	When payment is not received and goods are not removed or made available to the customer before 1 Jan 2023, the entire supply is subject to GST.

**(2) Supplier's invoice issued on/ after 1 Jan 2023**

Date of payment receipt	Date of goods being removed or made available to customer	Subject to GST?	Remarks
Before 1 Jan 2023	Before 1 Jan 2023	No	When full payment is received before 1 Jan 2023, the transaction is not subject to GST.
	Part before and part on/ after 1 Jan 2023		
	On or after 1 Jan 2023		
Part before and part on/ after 1 Jan 2023	Before 1 Jan 2023	Partial / No	The part payment received on/ after 1 Jan 2023 is subject to GST.
	Part before and part on/ after 1 Jan 2023	Partial	Alternatively, the OVR Vendor may elect for the <u>lower</u> of (i) the payment received on/ after 1 Jan 2023 and (ii) the goods removed or made available on/ after 1 Jan 2023 to be subject to GST, if applicable.
	On or after 1 Jan 2023	Partial	
On or after 1 Jan 2023	Before 1 Jan 2023	Yes / No	When full payment is received on/ after 1 Jan 2023, the entire transaction is subject to GST.
	Part before and part on/ after 1 Jan 2023	Yes / Partial	Alternatively, the OVR Vendor may elect for the <u>lower</u> of (i) the payment received on/ after 1 Jan 2023 and (ii) the goods removed or made available on/ after 1 Jan 2023 to be subject to GST, if applicable.
	On or after 1 Jan 2023	Yes	