



INLAND REVENUE  
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OF SINGAPORE

# IRAS e-Tax Guide

GST: Pre-registration Claims on Goods  
and Services (For Businesses Registered  
for GST on or after 1 July 2015)  
(Eighth Edition)

# GST: Pre-registration Claims on Goods and Services (For Businesses Registered for GST on or after 1 July 2015)

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## 1 Aim

- 1.1 This e-Tax Guide<sup>1</sup> explains the GST treatment for goods and services acquired by a business before it is registered for GST (“pre-registration GST”) and provides apportionment methods in situations where the pre-registration GST incurred is partially claimable.
- 1.2 You should read this guide if you are registered for GST **on or after 1 July 2015** and have acquired goods or services before your GST registration date.

## 2 At a Glance

- 2.1 In general, GST-registered businesses can claim GST incurred on goods and services used or to be used to make taxable supplies after GST registration.
- 2.2 Where goods and services acquired by businesses before GST registration have been used to make supplies straddling GST registration, or where goods have been partially consumed before registration, businesses are required to apportion the pre-registration GST incurred. Only the portion that is attributable to taxable supplies made after registration is claimable.

### Checklist

- 2.3 Before you make a pre-registration GST claim, complete the [Pre-registration GST: Checklist for Self- Review of Eligibility of Claim](#) to assess your eligibility for the claim. If you are unfamiliar with the pre-registration GST rules, we strongly encourage you to use the calculator feature within the checklist to determine the amount of pre-registration GST claimable. You are not required to submit the completed checklist to us but you need to maintain it as part of your records.
- 2.4 This guide provides the methods to be used in apportioning pre-registration GST claims and gives examples to illustrate the application of these methods. Businesses that wish to use other apportionment methods are required to seek the Comptroller’s prior approval by explaining the methods to be used and the basis for using the methods instead of the publicised methods.

### Budget 2015 changes

- 2.5 To ease the compliance of businesses in apportioning their GST claims, the claiming of pre-registration GST will be simplified for businesses that are registered for GST on or after 1 July 2015.

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<sup>1</sup> This e-Tax guide replaces the IRAS’ e-Tax Guide “GST: Pre-registration Claims on Goods and Services” published on 8 Jan 2013.

2.6 If you are registered for GST on or after 1 July 2015, you are no longer required to apportion (i.e. you can claim in full) the GST incurred on the following goods and services acquired within 6 months before your GST registration date:

- a) Goods held by your business at the point of GST registration; and
- b) Property rental, utilities and services, which are not directly attributable to any supply made by your business before GST registration.

Hence, you need to apportion your pre-registration GST only for goods and services which do not meet the above conditions.

### **3 What is Pre-registration GST**

3.1 The time of supply rules determine when supplies are made to a business for the purpose of claiming input tax. A supply of goods or services will be considered as made before your GST registration if the invoice is issued or the payment is received by your supplier, whichever is the earlier, before your GST registration. The GST incurred on such supplies is known as pre-registration GST. You may claim the pre-registration GST incurred if you satisfy the conditions elaborated in paragraph 4 of this guide.

### **4 Qualifying Conditions for Claiming Pre-registration GST**

4.1 To claim pre-registration GST, you have to satisfy both the general rules for input tax claims<sup>2</sup> and the pre-registration GST rules under the GST (General) Regulations.

#### General Rules for Input Tax Claims

4.2 To claim pre-registration GST, you must satisfy all the following general input tax rules:

- a) The goods or services must have been supplied to you. For imported goods, the goods must have been imported by you;
- b) The goods or services are used or to be used for the purpose of your business;
- c) Local purchases must be supported by valid tax invoices addressed to you, or simplified tax invoices at the time of claiming the input tax. Imports must be supported by import permits which show you as the importer of the goods;

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<sup>2</sup> Except for the requirement that businesses be GST-registered at the time when the supplies are made to them.

- d) The goods or services must be used for the making of taxable supplies<sup>3</sup> (i.e. standard-rated supplies and/or zero-rated supplies) or out-of-scope supplies which would be taxable supplies if made in Singapore, in the course or furtherance of your business;
  - e) The input tax must not be disallowed under regulations 26 and 27 of the GST (General) Regulations; and
  - f) You have taken reasonable steps to ascertain and concluded that the goods or services were not part of a Missing Trader Fraud arrangement and the conclusion is one that a reasonable person would have made.
- 4.3 If the pre-registration GST does not satisfy any of the above conditions, it will not be claimable. For example, you cannot claim pre-registration GST incurred on goods or services used to make exempt supplies as it would have failed 4.2(c).

#### Pre-registration GST Rules

- 4.4 In addition to satisfying the general input tax rules, you will have to satisfy the conditions elaborated in paragraphs 4.5 to 4.9 in order to claim pre-registration GST incurred on your business acquisitions.

#### Pre-registration GST incurred on goods

- 4.5 You may claim in full pre-registration GST incurred on goods acquired:
- a) Within 6 months before your GST registration if the goods are still held by you at GST registration.  
  
Goods held refers to goods which have not been sold, transferred or disposed of by you before your GST registration. If you have sold, transferred or disposed some of the goods before your registration, you will be required to apportion the pre-registration GST incurred (see paragraph 6.3 for more information).
  - b) More than 6 months before your GST registration if the goods have not been consumed or supplied by you before your GST registration.

If you have consumed or supplied some of the goods before your GST registration, you will be required to apportion the pre-registration GST. (see paragraph 6.4 for more information)

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<sup>3</sup> If the business makes partly exempt and partly taxable supplies after GST registration, attribution of input tax is required as only the portion attributable to the making of taxable supplies is claimable. For more information, please refer to our e-Tax Guide on “Partially Exempt Traders and Input Tax Recovery”.

Pre-registration GST incurred on property rental, utilities and services

- 4.6 You may claim in full pre-registration GST incurred on property rental, utilities and services if:
- a) The property rental, utilities and services are supplied to you within 6 months before your GST registration; and
  - b) Are not directly attributable to supplies made by you before your GST registration.
- 4.7 IRAS will treat property rental, utilities and services in relation to a property for your own use as not directly attributable to supplies made before registration, as long as you do not onward supply these before registration. For example, the pre-registration GST that you incur on your office rental, utilities and phone bills will not be regarded as directly attributable to supplies and hence, you may claim the GST incurred in full.
- 4.8 You cannot claim pre-registration GST incurred on services acquired more than 6 months before your GST registration. GST incurred on services that are directly attributable to supplies made by you before your registration is also not allowable.
- 4.9 If you satisfy the conditions in the above paragraphs 4.2 to 4.6 you would be able to claim your pre-registration GST in full. You do not need to go through paragraphs 5 to 9 which cover the apportionment methods for commonly incurred pre-registration claims and administrative concessions given by the Comptroller to further ease business compliance. You may proceed directly to paragraph 10 on the documents to maintain for supporting your claims.

## **5 Attribution of Pre-registration GST**

- 5.1 You will need to attribute and apportion your pre-registration GST if:
- You are a partially exempt business as only GST attributable to the making of taxable supplies is claimable;
  - You have acquired goods within 6 months before GST registration and some of the goods are already disposed of, transferred or sold before registration;
  - You have acquired goods more than 6 months before GST registration and these goods have been partially consumed or supplied before your registration (i.e. the consumption or supplies straddle your GST registration date); or

- You have acquired services, property rental and utilities within 6 months before your GST registration and these are directly attributable to supplies straddling your registration. Only the portion that is attributable to taxable supplies made after GST registration is claimable.

## 6 Apportionment for Goods

### A) Raw Materials Acquired for the Production of Goods

- 6.1 You may claim the GST incurred on the purchase of raw materials in full<sup>4</sup> so long as the finished goods produced using the raw materials are not sold before your GST registration. To support your claim, you are required to keep the necessary records to track the raw materials used to produce the finished goods and the subsequent movement of the finished goods.
- 6.2 You are required to apportion the GST incurred only if the raw materials are used in the production of goods, some of which are supplied before and some after GST registration.

#### Example 1:

Company ("Co") A registered for GST on 1 July 2023. It had purchased three cartons of raw materials on 15 November 2022. GST of \$300 was incurred on the purchase. Out of the three cartons, two cartons of raw materials were used before registration to produce 20 units of goods. 10 units of the goods were sold before registration. Pre-registration GST that is allowable:

$$(1/3 \times \$300) + (2/3 \times 10/20 \times \$300) = \$200$$

### B) Other Goods

#### - Acquired within 6 Months before GST Registration

- 6.3 If you have sold, transferred or disposed some of the goods acquired before your GST registration, you must apportion the pre-registration GST incurred as you can only claim the portion attributable to the units held at your registration date.

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<sup>4</sup> This applies whether the raw materials are acquired within or more than 6 months before GST registration.

Example 2:

Co B registered for GST on 1 July 2023 and is in the business of leasing and selling photocopier machines. It acquired 4 machines within 6 months before its GST registration date and incurred \$350 GST on each machine. Before Co B's GST registration date, one of the machines was sold, one was given away to its related company and two were leased out. Pre-registration GST is allowed only on the machines held by the business at its GST registration date.

$$\begin{aligned}\text{Input tax allowable} &= \text{No. of units held} \times \text{Pre-registration GST incurred} \\ &= 2/4 \times \$1,400 \\ &= \$700\end{aligned}$$

- **Acquired more than 6 Months before GST Registration**

6.4 Instances where you are required to apportion pre-registration GST include:

- a) Consumables such as stationery, office supplies (e.g. toner, printer paper), lubricants for machinery and equipment etc. partially consumed before GST registration;
- b) Trading stocks partially supplied before GST registration;
- c) Movable and immovable properties (i.e. fixed assets) put into use or leased out before GST registration.

Apportionment method for consumables and trading stocks

6.5 The pre-registration GST incurred on consumables and trading stocks should be apportioned based on the units acquired and you can only claim the portion attributable to the units still held at your GST registration.

Example 3:

Co C registered for GST on 1 July 2023. It had purchased three cartons of lubricants on 1 December 2022 for its equipment before registration. GST of \$300 was incurred on the purchase. Out of the three cartons, two cartons of the lubricants were used up before registration. Hence, GST incurred on the two cartons would be disallowed. Pre-registration GST that is allowable on the one carton:

$$1/3 \times \$300 = \$100$$

6.6 Examples of movable properties include office computer and peripherals, office furniture and fittings, delivery vans and lorries.

6.7 For movable properties acquired more than 6 months before the date of GST registration and put into use or leased before GST registration, you may apportion the pre-registration GST incurred based on the useful life of the asset

used for income tax purposes<sup>5</sup> or for accounting purposes, whichever is the shorter.

- 6.8 The useful life of an asset shall commence from the date of its acquisition (i.e. the earlier of invoice issued or payment received by the supplier). However, if you can identify when the movable property was put into use or leased and prove that it took place later than the date of its acquisition, you can treat the useful life as commencing from the date when the property was put into use or leased. No adjustment would be required should the actual life span of the asset differ from the useful life used for income tax or accounting purposes.

Example 4:

01/11/2022  
Invoice issued and payment received by supplier

01/08/2023  
GST Registration date

Co D is in the food manufacturing business. On 1 Nov 2022, Co D purchased a food packaging machine as part of a business expansion plan. The GST incurred on the purchase amounted to \$9,500. Co D put the machinery into use upon its acquisition. Co D subsequently registered for GST on 1 Aug 2023.

For accounting purposes, Co D estimated that the machinery would have a useful life of 7 years; whereas for income tax purposes, the useful life of the machinery was 6 years. This being the case, the shorter useful life of 6 years would be used to compute the input tax claimable.

Remaining useful life: 6 yrs – 9 months (from 01/11/2022 to 31/07/2023) or 0.75 yrs = 5.25 yrs

Input tax allowable = (Remaining useful life/ 6 years) x Pre-registration GST incurred  
= 5.25 / 6 x \$9,500  
= \$8,312.50

#### Apportionment method for immovable properties

- 6.9 Examples of immovable properties include land, office buildings, factories, permanent building fixtures such as lifts, escalators, mounted cabinets and mounted air-conditioners.
- 6.10 If you have used an immovable property as your business premises or leased it out for periods straddling GST registration, you are required to apportion the pre-registration GST incurred on the property. For simplification purpose and unless you can prove otherwise, the Comptroller shall take the date when the immovable property is made available to you (e.g. date when temporary occupation permit is issued) as the date when the property is put into use by you.

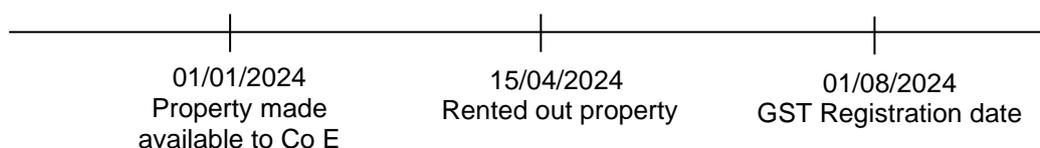
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<sup>5</sup> Sixth Schedule to the Income Tax Act

6.11 You may apportion the pre-registration GST incurred on an immovable property put into use (including it being leased out) before your GST registration using the following formula:

$$\text{Input tax allowable} = \text{Pre-registration GST incurred on property} - \left( \frac{\text{Annual value of property}}{365^6} \times \text{Period that property was put into use before registration} \times \text{GST rate} \right)$$

**Example 5:**



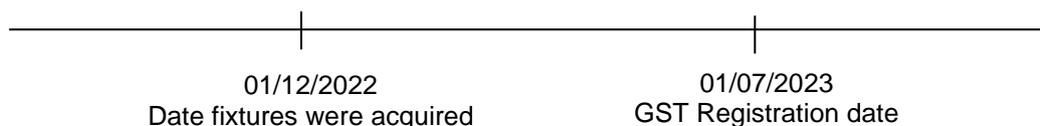
On 1 Jan 2024, Co E purchased a completed commercial property for \$4.375 mil (exclusive of GST) and incurred GST of \$393,750. Co E was able to substantiate that the property was renovated from the date when property was made available and rented out only on 15 Apr 2024 upon completion of the renovation. Co E was registered for GST on 1 Aug 2024. Based on the Valuation List, the annual value of the property for 2024 was \$60,000.

Period of use before GST registration (from 15/04/2024 to 31/07/2024) = 108 days

$$\begin{aligned} \text{Input tax allowable} &= \text{GST on property} - [(\text{Annual value} / 366) \times 108 \times 9\%^7] \\ &= \$393,750 - [(\$60,000 / 366) \times 108 \times 9\%] \\ &= \$393,750 - \$1,593.44 \\ &= \$392,156.56 \end{aligned}$$

6.12 If you acquire building fixtures such as mounted cabinets, air-conditioners and wall partitions separately from the immovable property, you may use a useful life of 3 years to apportion the pre-registration GST incurred. The useful life commences from the date when the fixtures are put into use. For simplification purposes and unless you can prove otherwise, the Comptroller shall take the date of acquisition of the fixtures as the date when the fixtures are put into use.

**Example 6:**



Co F acquired new built-in cabinets for its business premises on 1 Dec 2022 and incurred GST of \$350 on the cabinets. Co F subsequently registered for GST on 1 July 2023.

<sup>6</sup> Businesses may, if they prefer, use 366 days for leap years.

<sup>7</sup> The GST rate has been increased from 7% to 8% with effect from 1 Jan 2023 and from 8% to 9% with effect from 1 Jan 2024.

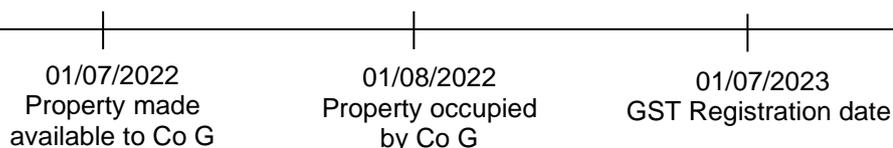
Remaining useful life: 3 yrs – 7 months (from 01/12/2022 to 30/06/2023) = 2.42 yrs

$$\begin{aligned} \text{Input tax allowable} &= (\text{Remaining useful life} / 3 \text{ years}) \times \text{Pre-registration GST incurred} \\ &= 2.42 / 3 \times \$350 \\ &= \$282.33 \end{aligned}$$

**Administrative concession for immovable properties put into use but no supplies made before GST registration**

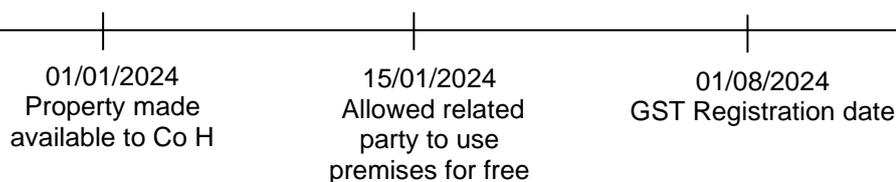
- 6.13 If you have used the immovable property as your business premises before GST registration but you have yet to commence making supplies, as an administrative concession, IRAS will allow you to claim in full the GST incurred on the immovable property (subject to general rules for input tax claims e.g. the property is used wholly for the making of taxable supplies in the course or furtherance of your business) if the property is still held by you at the date of your GST registration.
- 6.14 However, the concession does not apply if you let a third party use the immovable property for free. You would need to apportion the pre-registration GST incurred on the property if the use by the third party<sup>8</sup> straddles your GST registration.

**Example 7:**



Co G, a wholesaler of dried foods, purchased a commercial property and paid GST of \$50,000 on the purchase. The property was made available to Co G on 1 Jul 2022 and on 1 Aug 2022, staff of Co G moved into the property. Co G registered for GST on 1 Jul 2023 and has not made any supplies at the date of GST registration. As a concession, Co G can claim full input tax of \$50,000.

**Example 8:**



On 1 Jan 2024, Co H purchased a completed commercial property and incurred GST of \$393,750. The property was only put to use on 15 Jan 2024 when Co H allowed its related Company J to temporarily use its premises for free. Co H was registered for GST and

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<sup>8</sup> Paragraph 5(3) of the Second Schedule to the GST Act provides that there is a supply of services if the goods held or used for the purposes of business are put into non-business or private use. Where no consideration is received, you are deemed to have made a supply if you have been allowed input tax on the property.

occupied the premises on 1 Aug 2024. Based on the Valuation List, the annual value of the property for 2024 was \$60,000.

Period of use before GST registration (from 15/01/2024 to 31/07/2024) = 199 days

$$\begin{aligned}\text{Input tax allowable} &= \text{GST on property} - [(\text{Annual value} / 366) \times 199 \times 9\%] \\ &= \$393,750 - [(\$60,000 / 366) \times 199 \times 9\%] \\ &= \$393,750 - \$2,936.07 \\ &= \$390,813.93\end{aligned}$$

## 7 Apportionment for Property Rental and Utilities that are Directly Attributable to Supplies made before GST Registration

- 7.1 For rental and utilities that are directly attributable<sup>9</sup> to supplies straddling GST registration (e.g. a tenant subletting part of the leased property), the pre-registration GST incurred is to be apportioned according to the period covered by the rental or utilities bill that the supply relates to. Only the portion that is attributable to taxable supplies made after GST registration is claimable.

### Example 9:

Co Y registered for GST on 15 Aug 2023. It received a tax invoice dated 15 Jun 2023 with a GST charge of \$700 for an office rental from 1 Jul to 30 Sep 2023. Co Y sublet the office to Co Z from 15 Jul onwards. Co Y issues an invoice on the 15<sup>th</sup> of each month to Co Z, that is, an invoice on 15 Jul for the rental from 15 Jul to 14 Aug and another invoice on 15 Aug for the rental from 15 Aug to 14 Sep and so forth. The issue of each invoice would trigger the time of supply. Thus, the invoice issued on 15 Jul 2023 is regarded as a supply made before Y's GST registration. GST incurred on the portion of office rental attributable to the period between 15 Jul to 14 Aug is not claimable.

Period when the office was sublet before GST registration, 15/07/2023 to 14/08/2023 = 31 days

Office rental period, 1/07/2023 to 30/09/2023 = 92 days

$$\begin{aligned}\text{Input tax allowable} &= ((92 - 31) / 92) \times \text{Pre-registration GST incurred} \\ &= ((92 - 31) / 92) \times \$700 \\ &= \$464.13\end{aligned}$$

## 8 Apportionment for Services that are Directly Attributable to Supplies made before GST Registration

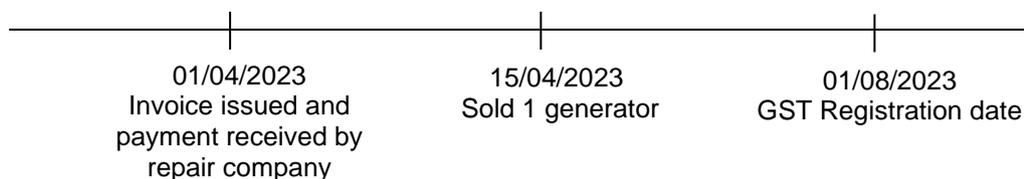
- 8.1 For services that are directly attributable to supplies straddling GST registration, you are required to apportion these services. You may use the following proxies to apportion the pre-registration GST incurred and arrive at the portion which is attributable to supplies made after registration:

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<sup>9</sup> As stated in paragraph 4.7, IRAS is prepared to treat property rental, utilities and services in relation to a property for your own use as not directly attributable to supplies made before registration, as long as these are not onward supplied before registration.

- Proportion of goods or services supplied before GST registration to total goods or services supplied. The proportion can be in units of goods supplied or the value of goods or services supplied. Examples of services which can be apportioned using this method are repair services and storage services for goods.
- Period over which goods or services are supplied before GST registration over total period of goods or services supplied. This proxy can be used for apportioning goods and services supplied during a specific period. Examples of services which can be apportioned using this method are property agent services to secure a tenant and advertising services to promote sale of a particular product line during a limited period.
- Period over which goods or services are supplied before GST registration over a year. This proxy can be used for services that are directly attributable to ongoing sales of goods or services. Examples of services which can be apportioned using this method are advertising services for a newly launched product.

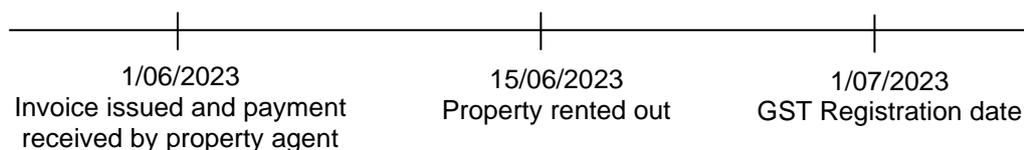
Example 10:



On 1 Apr 2023, Mr A, a sole-proprietor, paid for and incurred GST of \$70 on repair services performed on 2 generators, one of which he sold before he registered for GST on 1 Aug 2023.

$$\begin{aligned} \text{Input tax allowable} &= \$70 \times \frac{1}{2} \\ &= \$35 \end{aligned}$$

Example 11:



On 1 Jun 2023, ABC Partnership, paid for and incurred GST of \$700 on commission charged by a property agent for securing a 2-year rental for a commercial property that it owns. The rental commenced on 15 Jun 2023. ABC Partnership registered for GST on 1 Jul 2023.

$$\begin{aligned} \text{Rental period before GST registration (15/06/2023 to 30/06/2023)} &= 16 \text{ days} \\ \text{Total rental period (2 years or } 365 \times 2) &= 730 \text{ days} \end{aligned}$$

Input tax allowable =	GST on commission – GST attributable to rental period before GST registration
=	\$700 – [(16/730) x \$700]
=	\$700 - \$15.34
=	\$684.66

Example 12:



Co DEF is in the business of selling beauty products. It decided to start selling a new product line of face masks in 2023 and incurred advertisement costs to publicise the sale of the face masks. On 15 Feb 2023, it was issued a tax invoice for the advertising services and made full payment (inclusive of \$200 GST). Co DEF made its first face mask sale on 1 Mar 2023.

As the advertising services are directly attributable to the ongoing sale of its face masks, Co DEF may apportion the input tax as follows:

Number of days between first supply of face masks and GST registration (01/03/2023 to 01/07/2023) = 122

Input tax allowable	=	(365 – Days between first supply and GST registration) / 365 x Pre-registration GST incurred
	=	(365 – 122) / 365 x \$200
	=	\$133.15

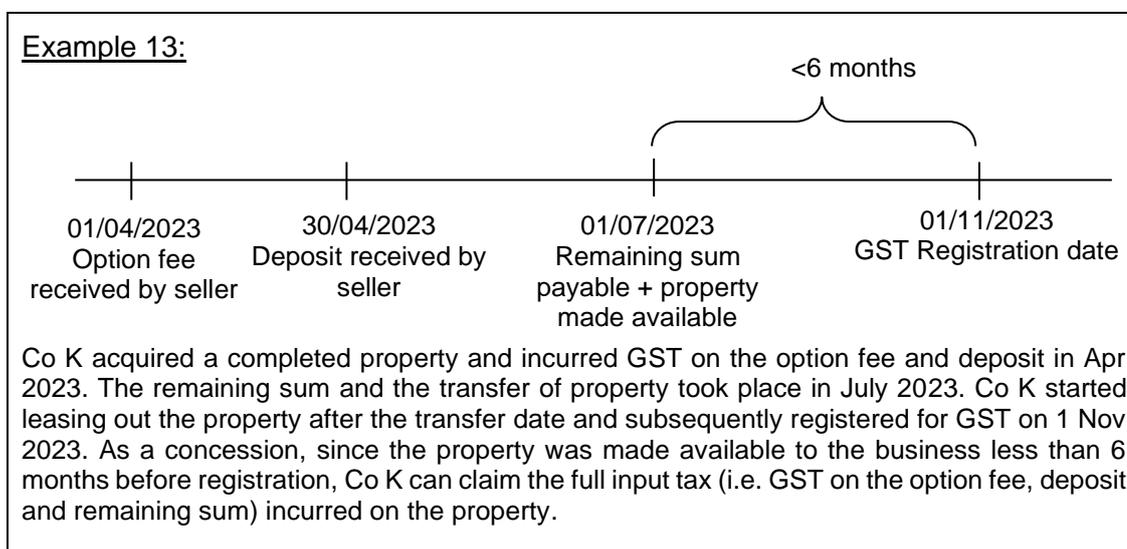
## 9 Other Administrative Concessions

### Administrative Concession for Progress Billings or Partial Payments for Goods

- 9.1 As the time of supply is triggered by the earlier of payment or invoice received, for a purchase of goods which involve progress billings or partial payments over a period, some of the billings or payments may fall within the 6-month (before GST registration) timeframe while others may fall out of the timeframe. If the goods are partially supplied or consumed before registration, a portion of the GST incurred will be claimable in full while another portion is subject to apportionment.
- 9.2 As an administrative concession to ease compliance, IRAS will allow you to claim in full the pre-registration GST incurred on the progress billings/partial payments straddling the 6-month timeframe provided that the goods:
- Are still held by you at GST registration; and

- Have not been put to use or supplied by you more than 6 months before your GST registration.

9.3 For simplification purpose and unless you can prove otherwise, the Comptroller shall take the date when the goods are made available to you (e.g. the date when temporary occupation permit is issued for a property or the delivery date for movable property) as the date when the goods are put into use.



#### Administrative Concession for Renovation and Construction

9.4 For GST purposes, property renovation and construction are treated as comprising supplies of both goods and services. This would mean that you would have to segregate the supplies into goods and services and apply the different pre-registration GST rules accordingly.

9.5 As an administrative concession to simplify compliance, IRAS will allow you to claim the pre-registration GST incurred on renovation or construction expenses in full provided that the renovated property or constructed property:

- Is still held by you at GST registration; and
- Has not been put to use or supplied by you (e.g. leased) more than 6 months before your GST registration.

9.6 For renovation expenses that do not fulfil the above criteria, you are required to apportion the pre-registration GST. You may apply a useful life of 3 years commencing from the date when the renovated property is put into use. For simplification purpose and unless you can prove otherwise, the Comptroller shall take the date when the renovation is completed as the date when the renovated property is put into use. No adjustment would be required should the actual life span be different.

- 9.7 For construction expenses that do not fulfil the above criteria, you are to use the immovable property apportionment method in paragraph 6.10 to apportion the pre-registration GST.

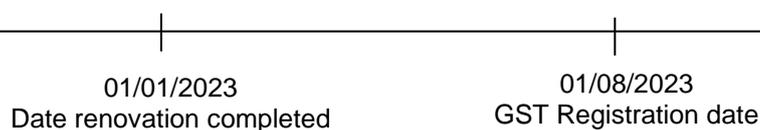
Example 14:



Co L is in the property leasing business. In 2022, it acquired a commercial property and renovated the property to be leased as office premises. The renovation was completed on 1 Apr 2023 and the property was leased out on 1 May 2023. Co L incurred GST of \$1400 on renovation. Co L subsequently registered for GST on 1 Aug 2023.

As a concession, since the property was leased out less than 6 months before Co L's registration, Co L can claim the full input tax incurred on the renovation.

Example 15:



Co M is in the retail business selling clothing and accessories. In 2022, it acquired a new retail outlet in Orchard Road and renovated the outlet. The renovation was completed on 1 Jan 2023. Co M incurred GST of \$700 on renovation. Co M subsequently registered for GST on 1 Aug 2023.

Remaining useful life: 3 yrs – 7 months (from 01/01/2023 to 31/07/2023) or 0.58 yrs = 2.42 yrs

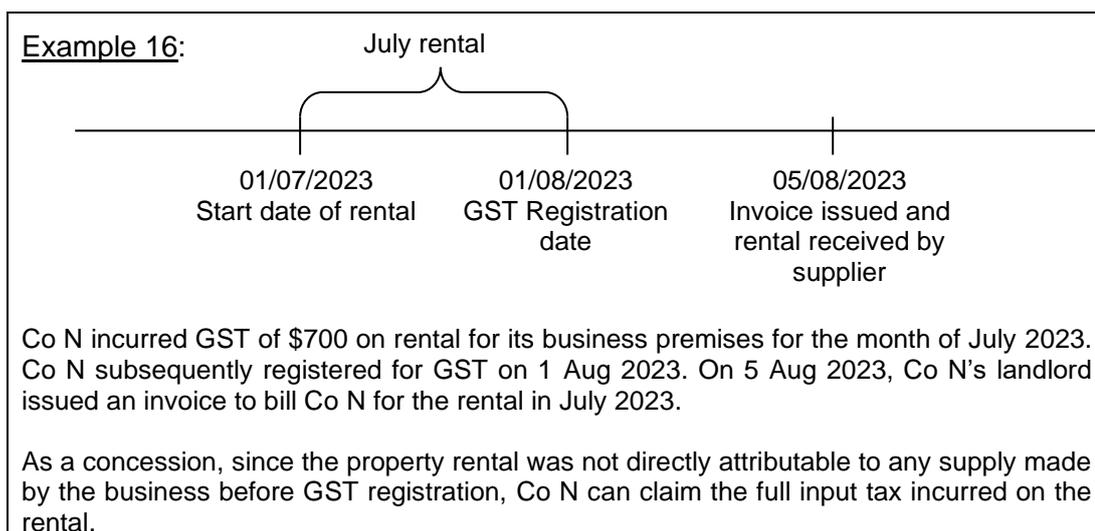
$$\begin{aligned} \text{Input tax allowable} &= (\text{Remaining useful life} / 3 \text{ years}) \times \text{Pre-registration GST incurred} \\ &= 2.42 / 3 \times \$700 \\ &= \$564.67 \end{aligned}$$

Administrative Concession for Post-registration Claims

- 9.8 The GST that you incur on goods or services for which your supplier issues the invoice or receives payments after your GST registration date are considered as post-registration claims. Post-registration claims may include goods that have been delivered or services that have been performed before your GST registration.
- 9.9 As an administrative concession, IRAS will allow the same GST treatment for pre-registration claims to be applied to post-registration claims. For goods that have been delivered or services that have been performed before GST registration, you are allowed to claim input tax in full for:

- Goods held by you at your GST registration; and
- Property rental, utilities and services, which are not directly attributable to any supply made by you before your GST registration.

9.10 For goods that are no longer held at GST registration, the post-registration claim will be disallowed. Post-registration claims will also be disallowed for property rental, utilities and services that are directly attributable to supplies made before GST registration. If the property rental, utilities and services are directly attributable to supplies straddling GST registration, apportionment is required.



## 10 Documents to Maintain for Pre-registration GST claims

10.1 For services, you are required to maintain a list showing:

- a) description of services purchased;
- b) date of purchase; and
- c) date of use of the service (if any)

10.2 For goods, you are required to maintain a stock account with these details:

- a) quantities purchased;
- b) quantities used in the making of other goods;
- c) date of purchase; and
- d) date and manner of subsequent disposal of both quantities in a) and b)

10.3 In addition, you are required to support your claims with evidence such as tax invoices, import permits, payment evidence, etc.

## **11 When to Claim Pre-registration GST**

- 11.1 You should claim pre-registration GST in your first GST return provided that you satisfy all the conditions for claiming pre-registration GST.
- 11.2 The value of taxable purchases and corresponding GST amount should be included in Box 5 and Box 7 respectively.

## **12 Frequently Asked Questions**

### **12.1 I acquired an office property 4 months before I registered for GST. I started leasing out the office 3 months before my GST registration date. Do I have to apportion the GST incurred on the acquisition of the office?**

No, you do not have to apportion the GST incurred on the acquisition of the office. You can claim the GST incurred in full since it was acquired within 6 months before your GST registration and you still hold the property.

### **12.2 What are some examples of property rental and utilities which are not directly attributable to any supply made before GST registration?**

Property rental and utilities which are not directly attributable to any supply refer to property rental and utilities incurred by the business for its own operations purpose and are not onward supplied to another person. For example, if a business leases a property for use as its business premises and incurs rental and utility expenses within 6 months before its GST registration, the expenses are claimable in full.

### **12.3 What are some examples of services which are directly attributable to supplies made before GST registration and what are some examples of services which are not directly attributable to any supply made before registration?**

Some examples of services that are directly attributable to supplies are:

- Valuation services acquired by a watch dealer to determine the sales price of a one-of-a-kind antique watch that was sold before the watch dealer was registered for GST. The GST incurred is not allowable since it is attributable to goods already supplied before registration.
- Advertisement services acquired by an event organiser to promote a concert that was held before the event organiser was registered for GST. The GST incurred is not allowable since it is attributable to services already supplied before registration.
- Advertising services acquired by a retailer to publicise the sale of Product A during a promotional period that took place before the retailer was

registered for GST. The GST incurred is not allowable since it is attributable to goods supplied before registration.

- Cleaning services acquired by an exhibition facility provider to clean up an exhibition hall that was leased to an event organiser before the former was registered for GST. The GST incurred is not allowable since it is attributable to goods<sup>10</sup> already supplied before registration

Some examples of services that are not directly attributable to supplies are:

- Audit services acquired by a public listed company for it to fulfil regulatory requirements. The GST incurred is allowable in full.
- Training services acquired by a manufacturing company to upgrade the skills of its human resource staff. The GST incurred is allowable in full.
- Maintenance services on a building used as business premises. The GST incurred is allowable in full.

#### **12.4 Can I claim in full pre-registration GST on movable and immovable properties if the properties are not put into use<sup>11</sup> before GST registration? What are some examples of properties put into use?**

For properties acquired more than 6 months before your GST registration date, you can claim the GST incurred in full if the property is not put into use or sold before your GST registration. This is provided that you satisfy the general input tax rules.

Examples where GST incurred may be claimed in full as they are not considered as “put into use”:

- Non-residential property left vacant before GST registration and put into use (including being rented out) only after GST registration
- Non-residential property under-going renovation, repairs or fitting out and is rented out or occupied by the owner only after GST registration
- Vehicles (other than motor cars<sup>12</sup>) under-going repairs or maintenance and ready for use only after GST registration

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<sup>10</sup> Rental of exhibition space which involves the grant of licence to occupy land is treated as a supply of goods for GST purposes.

<sup>11</sup> The Comptroller shall assume that the properties are put into use upon acquisition unless the business can prove otherwise.

<sup>12</sup> GST incurred on motor cars are disallowed under regulation 27 of the GST (General) Regulations, except where the car is excluded from the definition of a 'motor car' in regulation 25(1) of the GST (General) Regulations.

Examples of property put into use:

- Warehouse used to store own goods
- Pick-up used to transport workers
- Non-residential property occupied by a third party, regardless of whether any consideration is received in return

Properties acquired within 6 months before your GST registration date may be claimed in full provided that the property is still held at the point of GST registration.

**12.5 Can I claim the GST incurred on raw materials which have been used to manufacture goods, if these raw materials had been acquired within 6 months before my GST registration date?**

You may claim the GST incurred on raw materials if the finished goods produced using the raw materials are not sold before GST registration. Businesses will have to keep the necessary records to track the raw materials used to produce the finished goods and the subsequent movement of the finished goods as proof. Raw materials used to make finished goods sold before GST registration are not allowed.

**12.6 Can I claim in full pre-registration GST incurred on services if I only commence making supplies after I register for GST?**

Yes, you may claim in full the GST incurred provided that you meet the general input tax rules such as the services are used for the making of taxable supplies in the course or furtherance of your business and the services are supplied to you within 6 months before the date of your GST registration.

**13 Contact Information**

- 13.1 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”).

## 14 Updates and Amendments

	<b>Date of amendment</b>	<b>Amendments made</b>
1	11 Jul 2017	Inserted paragraph 2.3 on pre-registration checklist.
2	18 Jul 2018	<p>(i) Inserted paragraph 4.7 and footnote 8 to explain what is meant by “property rental, utilities and services in relation to property not directly attributable to supplies made before GST registration” and made consequential renumbering of next two paragraphs.</p> <p>(ii) Inserted paragraph 6.1 to clarify the treatment of raw materials. Re-organised and renumbered subsequent paragraphs up to paragraph 6.14 as a consequence. Editorial amendments also made to paragraphs 6.11 and 6.13.</p> <p>(iii) Amended paragraph 7.1 and example 9 to give further clarity on the treatment of property rental and utilities directly attributable to supplies straddling GST registration.</p> <p>(iv) Consequential changes to Annex D as a result of (ii).</p>
3	10 Feb 2021	<p>(i) Revised paragraph 4.2 to update input tax claiming conditions.</p> <p>(ii) Revised paragraph 13 to update contact information</p>
4	29 Oct 2021	Amended Annex A
5	25 Jul 2022	Amended footnote 11 and Annex A on motor car expenses
6	1 Jan 2023	Miscellaneous amendments made due to GST rate change from 7% to 8% with effect from 1 Jan 2023.

GST: Pre-registration Claims on Goods and Services (For Businesses Registered for GST on or after 1 July 2015)

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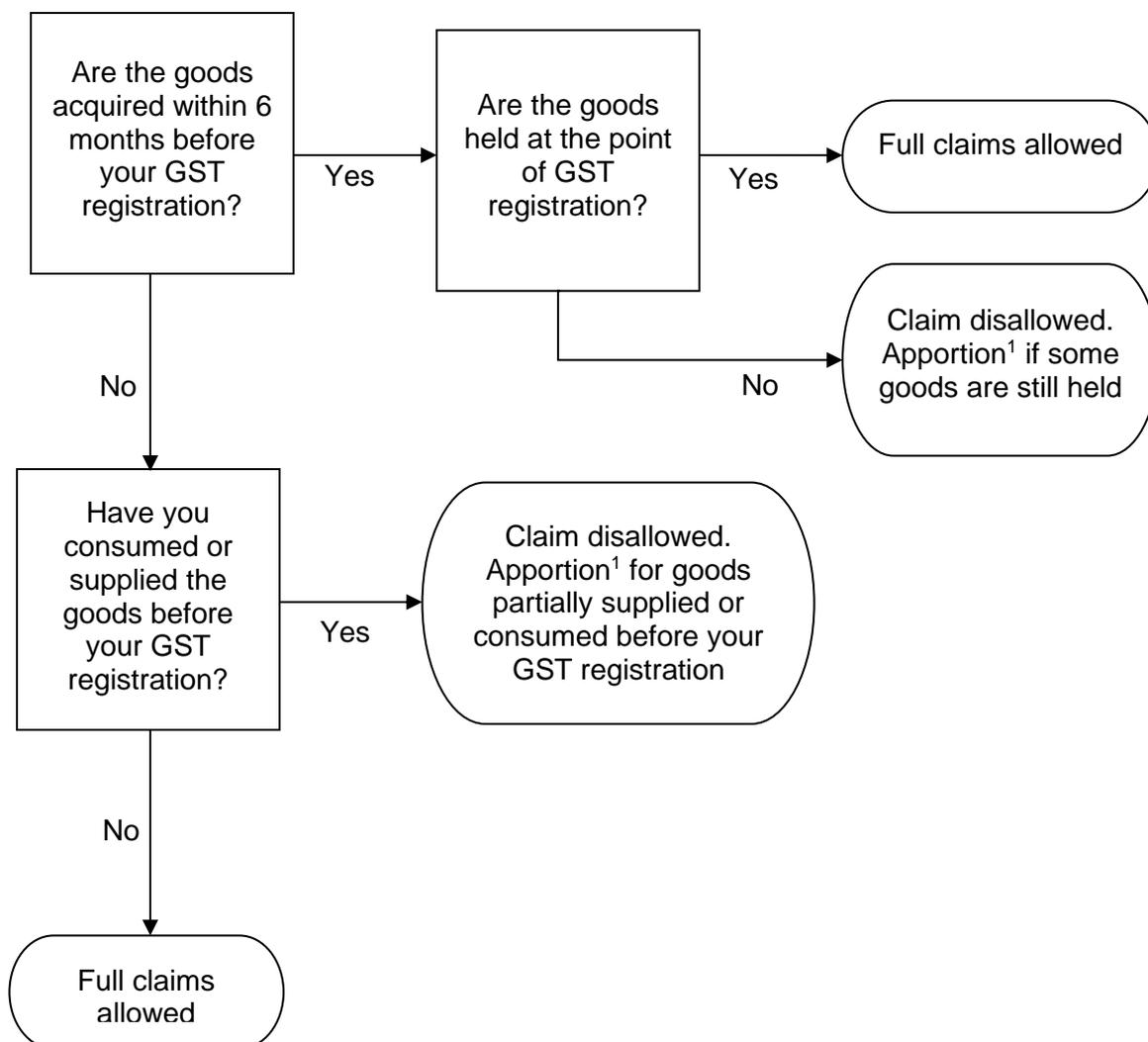
7	1 Jan 2024	Inserted footnote 7 to highlight the GST rate change from 8% to 9% with effect from 1 Jan 2024.
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## **Annex A – Regulation 26 and 27 of the GST (General) Regulations**

The expenses disallowed under regulations 26 and 27 are as follows:

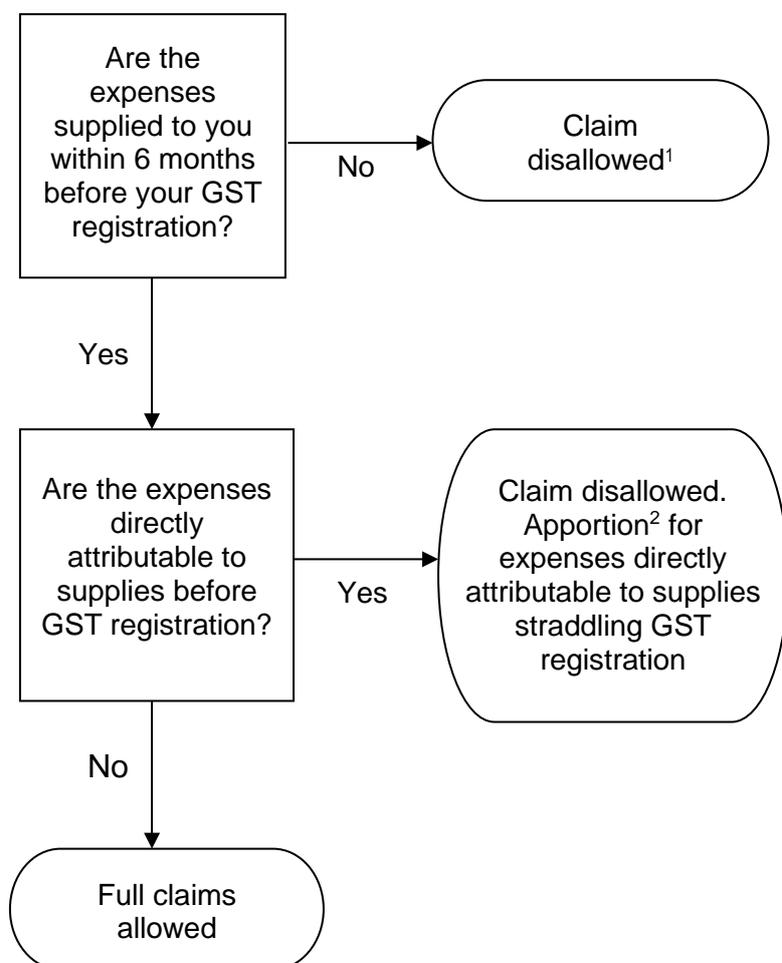
- Club subscription fees (including transfer fees) charged by sporting and recreational clubs;
- Medical expenses incurred by the claimant's staff unless –
  - (a) the expenses are obligatory under the Work Injury Compensation Act or under any collective agreement within the meaning of the Industrial Relations Act; or
  - (b) the medical treatment in respect of medical expenses incurred on or after 1 Oct 2021 is provided in connection with any health risk or requirement arising on account of the nature of the work required of the claimant's staff or his work environment; and
    - (i) the medical expenses are incurred pursuant to any written law of Singapore concerning the medical treatment or the provision of a medical facility or medical practitioner; or
    - (ii) the medical treatment is related to COVID-19 and the staff undergoes such medical treatment pursuant to any written advisory (including industry circular) issued by, or posted on the website of, the Government or a public authority.
- Medical and accident insurance premiums incurred by the claimant's staff unless they are obligatory under the Work Injury Compensation Act or under any collective agreement within the meaning of the Industrial Relations Act;
- Benefits provided to the family members or relatives of the claimant's staff;
- Costs and running expenses of a motor car (except where the car is excluded from the definition of a 'motor car' in regulation 25(1) of the GST (General) Regulations); and
- Any transaction involving betting, sweepstakes, lotteries, fruit machines or games of chance.

## Annex B: Flowchart for Pre-registration Claims on Goods



<sup>1</sup>For apportionment methods, please refer to Annex D

### Annex C: Flowchart for Pre-registration Claims on Property Rental, Utilities and Services



<sup>1</sup>Services acquired more than 6 months before your GST registration date are disallowed. For property rental and utilities acquired more than 6 months before your GST registration date, no GST is claimable unless the rental and utilities are consumed or onward supplied by you after your GST registration.

<sup>2</sup>For apportionment methods, please refer to Annex D

## Annex D: List of Apportionment Methods

### For goods acquired within 6 months before GST registration

Category	Apportionment method
Inventory/Trading stocks	Proportion of units supplied before GST registration to total units acquired.
Raw materials	<p>Proportion of units supplied before GST registration to total units acquired.</p> <p>Where the raw materials have been used to make finished goods, the supplies of which straddle GST registration, the proxy for apportionment should be based on the units of finished goods produced using the materials. Only the portion relating to the finished goods unsold as at GST registration is allowable.</p>

### For rental and utilities acquired within 6 months before GST registration and are directly attributable to supplies straddling GST registration

Category	Apportionment method
Rental and utilities	Proportion of rental and utilities procured before GST registration and onward supplied before GST registration (see Example 9)

### For services acquired within 6 months before GST registration and are directly attributable to supplies straddling GST registration

Category	Apportionment method
Services	<ol style="list-style-type: none"> <li>1. Proportion of goods or services supplied before GST registration to total goods or services supplied;</li> <li>2. Period that goods or services have been supplied before GST registration over total period of supplies; or</li> <li>3. Period over which goods or services are supplied before GST registration over a year</li> </ol>

### For goods acquired more than 6 months before GST registration

Category	Apportionment method
Inventory and consumables	Proportion of units consumed or supplied before GST registration to total units acquired.

GST: Pre-registration Claims on Goods and Services (For Businesses Registered for GST on or after 1 July 2015)

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Raw materials	<p>Proportion of units supplied before GST registration to total units acquired.</p> <p>Where the raw materials have been used to make finished goods<sup>13</sup>, the supplies of which straddle GST registration, the proxy for apportion should be based on the units of finished goods produced using the materials.</p> <p>Only the portion relating to the finished goods unsold as at GST registration is allowable.</p>
Movable property	Useful life of the asset from the date of use/acquisition
Immovable property (building)	<p>Input tax = GST on property – [(AV of property/365) x period property put to use x GST rate]</p> <p>Administrative concession to claim in full if no supplies have been made before GST registration</p>
Immovable property (fixtures)	Useful life of 3 years from the date of use/acquisition

Other administrative concessions

Category	Concession
Partial payments on goods	Full claims allowed if the goods or property is held at registration and have not been used or supplied by you more than 6 months before registration
Renovation and construction	
Post-registration claims	<p>Full claims allowed for:</p> <ol style="list-style-type: none"> <li>1. Goods held by you at GST registration; and</li> <li>2. Property rental, utilities and services not directly attributable to any supply before GST registration</li> </ol>

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<sup>13</sup> While raw materials used to produce finished goods before GST registration are regarded as consumed, as an administrative concession, IRAS will allow the pre-registration GST incurred to the extent that the finished goods produced are still held by the GST-registered business as at its GST registration.