**CHECKLIST ON INCOME REPORTING**

**This checklist is to help you in your review of your income reported and expenses claimed in your income tax return. You need not send the completed checklist to IRAS.**

 **Check your reported Revenue & Gross Profit**

Revenue has to be reported based on the total gross income received from your business. If you have incorrectly reported your Revenue and Gross Profit previously, please **include** any under-reported income in yourrevised statement of accounts.

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| √ | **Reporting of Revenue & Gross Profit** |
|  | Have you reported revenue based on all sales invoices or sales records (including cash sales)? (*Estimates are not acceptable and revenue reported must be supported with full and complete records of serially numbered invoices/receipts*) |
|  | Have you reported your revenue based on the gross sales? *(Where revenue is used to pay for business expenses and purchases, revenue reported should still be based on the gross sales figure before deductions)* |
|  | Have you reported all other sources of income received by the business?  (*E.g. rental income from subletting of business premises*) |
|  | In reporting your Gross Profit, are all claims for purchases based on actual amounts incurred and duly supported by invoices, receipts or payment vouchers? (*Gross profit is your revenue figure less the cost of goods sold. If your business does not involve the sales of goods, your gross profit will be equal to your revenue*) |

 **Check your expense claims**

The following expenses are not deductible for tax purposes. If you have claimed the expenses previously, please **exclude** them from your revised Statement of Accounts.

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| X | **Disallowable business expenses** |
|  | Your salary, bonus, allowances, CPF/ Medisave Contributions and income tax |
|  | Excessive salary and bonus paid to related parties, e.g. spouse, parents, children, siblings, for services rendered to the business |
|  | Payments of salaries, allowances or CPF to related parties, e.g. spouse, parents, children, siblings, when they are not employees of the business |
|  | Private/ Domestic Expenses such as:* Food and household expenses for self, family members and friends;
* Gifts for self, family members and friends;
* Medical expenses for self and family members who are not working in the business;
* Entertainment for self, family members and friends;
* Travelling expenses for personal trips with family members or friends;
* Personal membership/subscriptions/entrance fees to social clubs;
* Insurance premiums for policies (e.g. life insurance policy, education plan, home insurance, mortgage insurance etc) taken up for self and family.
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|  | Motor vehicle expenses (e.g. petrol costs, insurance, repair and maintenance, road tax, COE, parking fees and ERP charges etc.) incurred by you and/or reimbursements of such expenses incurred by your employees, in respect of private hire cars or private cars (E, Q or S-plate cars) |
|  | Donations to charitable organisations |
|  | Penalties, fines (e.g. traffic fines) and late payment charges |
|  | Cost of fixed assets (e.g. property, machinery, office furniture) |

You can find more information on allowable and disallowable business expenses at [www.iras.gov.sg](http://www.iras.gov.sg) or scan the QR code below:



 **Report other sources of income**

The following are examples of other sources of income that are taxable. If you have not reported the income previously, please let us have details of the omitted income for each of the relevant year.

|  |  |
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|  | **Examples of other sources of income** |
|  | Rental income |
|  | Freelance or part-time income |
|  | Director’s fees |
|  | Consultancy fees |
|  | Commission income |