

**AC Reporting Form**  
**Appropriation of trading stock for non-trade or capital purposes under section 10J/ Conversion of non-trade or capital asset to trading stock under section 32A of the Income Tax Act 1947 (“ITA”)**



- Note:**
- An individual, including partnership with only individual partners, is not required to complete this Form.
  - This Form may take you 10 minutes to complete.
  - Please get ready the particulars of the appropriation/ conversion and market value of the trading stock and/ or capital asset as at the date of appropriation/ conversion.
  - There is no need to submit supporting document with the Form. However, contemporaneous supporting documents should be made available when the Comptroller of Income Tax (“CIT”) requests them.
  - You should submit the completed and signed Form together with your Income Tax Return or income tax computation via myTax Mail (<https://mytax.iras.gov.sg>).

<b>Part 1 – Particulars of taxpayer/ partnership</b>	
Name of taxpayer/ partnership:	_____
Tax Ref. No.:	_____
Year of Assessment:	_____
<b>Part 2 – Declaration of appropriation/ conversion (Tick where applicable)</b>	
There is an appropriation during the basis period for the above Year of Assessment.	
<input type="checkbox"/> a)	Trading stock held on revenue account is appropriated for non-trade/ capital purposes. <b>(Please complete Part 3a below)</b>
<input type="checkbox"/> b)	Non-trade/ capital asset is converted to trading stock. <b>(Please complete Part 3b below)</b>
<b>Part 3a – Details of appropriation of trading stock for non-trade/ capital purposes<sup>1</sup></b>	
Description of trading stock:	_____
Date of purchase or completion <sup>2</sup> by taxpayer:	_____
Date of appropriation:	_____
Reason(s) for the appropriation:	_____
Cost of trading stock:	_____
Net book value of trading stock <sup>3</sup>	_____
Open market value (“OMV”) of	_____

<sup>1</sup> Refer to section 10J of ITA

<sup>2</sup> Completion of manufacture, preparation or construction.

<sup>3</sup> Net book value will be the same as purchase cost if no provision for diminution in value or fair value adjustment had been made previously.

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trading stock as at the date of appropriation: \_\_\_\_\_

Gain/ (loss) on appropriation brought to tax/ claimed in the Income Tax Return: \_\_\_\_\_

Whether the OMV is supported by independent valuation:  Yes  No

Confirmation that the tax adjustment(s) has/ have been included in the Income Tax Return:  Yes  No

**Part 3b – Details of conversion of non-trade/ capital asset to trading stock<sup>4</sup>**

Description of non-trade/ capital asset: \_\_\_\_\_

Date of purchase: \_\_\_\_\_

Date of conversion: \_\_\_\_\_

Reason(s) for the conversion: \_\_\_\_\_

Cost of asset: \_\_\_\_\_

Open market value (“OMV”) of the asset as at the date of conversion: \_\_\_\_\_

Estimated date of disposal of trading stock (if available): \_\_\_\_\_

Describe any value-add activities carried out on the trading stock after the conversion: \_\_\_\_\_

Whether the OMV is supported by independent valuation:  Yes  No

<sup>4</sup> Refer to section 32A of ITA

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Confirmation that any balancing adjustment (if applicable) has been included in the Income Tax Return:  Yes  No  Not applicable

**Part 4 – Declaration**

I declare that the information provided in this Form is true and complete.

I am aware that penalties may be imposed for making incorrect or false declarations to the Comptroller of Income Tax.

\_\_\_\_\_  
**Full name and signature of authorised person**

\_\_\_\_\_  
**Designation**

\_\_\_\_\_  
**Date**

**Checklist on documents maintained to support the particulars of the appropriation/ conversion and valuation (Tick where applicable)**

Please tick the relevant boxes below to indicate which relevant information and/ or documents are available to support the occurrence of an appropriation/ conversion, the date of appropriation/ conversion and valuation. You do not need to submit these documents at the point of tax filing. However, please retain them and submit them to CIT upon request.

- |  |  |
|--|--|
| <input type="checkbox"/> Proposal on Appropriation/ Conversion and Director’s resolution           | <input type="checkbox"/> Advertisement for rent or lease only                  |
| <input type="checkbox"/> Donation receipt (applicable only for donation of trading stock)          | <input type="checkbox"/> Payment of development charge or differential premium |
| <input type="checkbox"/> Investment yield analysis/ study or recommendation by investment advisors | <input type="checkbox"/> Appointment of contractors                            |

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<input type="checkbox"/> Valuation report by an independent valuer	<input type="checkbox"/> Issue of developer licence (for sale)
<input type="checkbox"/> Others (please provide details)  _____	
_____	