

**GOODS AND SERVICES TAX ACT  
(CHAPTER 117A, SECTIONS 10(3) AND 86(1))**

**GOODS AND SERVICES TAX (EXCLUDED TRANSACTIONS)  
ORDER**

**ARRANGEMENT OF PARAGRAPHS**

**Paragraph**

1. Citation
  2. Excluded transactions
  3. Supplies not to be excluded
  4. Transfer or assignment of title to goods
  5. Income tax group relief
  6. Issuance or transfer of carbon credits
  7. Digital payment tokens
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[23rd March 1994]

**Citation**

**1.** This Order may be cited as the Goods and Services Tax (Excluded Transactions) Order.

**Excluded transactions**

**2.** Except in the circumstances referred to in paragraph 3, the following supplies by a person of assets of his business shall be treated as neither a supply of goods nor a supply of services:

- (a) the supply to a person to whom he transfers his business as a going concern —
  - (i) where the assets are to be used by the transferee in carrying on the same kind of business, whether or not as part of any existing business, as that carried on by the transferor; and
  - (ii) where, in a case in which the transferor is a taxable person, the transferee is already, or immediately becomes as a result of the transfer, a taxable person; and

- (b) the supply to a person to whom he transfers part of his business as a going concern —
- (i) where that part is capable of separate operation;
  - (ii) where the assets are to be used by the transferee in carrying on the same kind of business, whether or not as part of any existing business, as that carried on by the transferor in relation to that part; and
  - (iii) where, in a case in which the transferor is a taxable person, the transferee is already, or immediately becomes as a result of the transfer, a taxable person.

### **Supplies not to be excluded**

3.—(1) Subject to sub-paragraph (2) —

- (a) where a business, or part of a business, carried on by a taxable person is transferred as a going concern to another taxable person treated as a member of a group under section 30 of the Act; and
- (b) where, on the transfer of the business or part thereof, assets of the business are transferred to that taxable person,

then paragraph 2 shall not apply to the transfer of such assets and accordingly, tax shall be chargeable on the supply in accordance with the Act.

(2) This paragraph shall not apply if —

- (a) the members of the group are entitled to credit for the whole of the input tax on supplies to them and acquisitions and importations by them —
  - (i) during the prescribed accounting period in which the assets are transferred; and
  - (ii) during any longer period to which regulations under section 20(4)(b) of the Act relate and in which the assets are transferred;

- (b) the Comptroller is satisfied that the assets were assets of the taxable person transferring them more than 3 years before the day on which they are transferred; or
- (c) the Comptroller is satisfied that the person by whom the asset is transferred has not received any credit for input tax arising on the supply to him or acquisition or importation by him of the asset.

### **Transfer or assignment of title to goods**

4.—(1) Where a provider of hire-purchase finance transfers or assigns his title to goods comprised in a hire-purchase agreement together with the hire-purchase finance relating to such goods, the transfer or assignment of title shall be treated as neither a supply of goods nor a supply of services.

(2) For the purpose of sub-paragraph (1), “hire-purchase finance” means the instalment credit finance in a hire-purchase agreement.

### **Income tax group relief**

5.—(1) Where a person transfers any qualifying deduction to any other person under section 37C of the Income Tax Act (Cap. 134), such transfer shall be treated as neither a supply of goods nor a supply of services.

(2) For the purpose of sub-paragraph (1), “qualifying deduction” means a qualifying deduction referred to in section 37C of the Income Tax Act.

*[S 265/2003 wef 01/01/2003]*

### **Issuance or transfer of carbon credits**

6.—(1) The issuance or transfer (including by way of sale) of any carbon credit or any digital representation of a carbon credit is treated as neither a supply of goods nor a supply of services.

(2) To avoid doubt, the issuance of a carbon credit under sub-paragraph (1) includes the crediting of any carbon credit by the National Environment Agency into any registry account under the Carbon Pricing Act 2018.

(3) In this paragraph —

“carbon credit” means —

(a) a certificate representing an amount of greenhouse gas emissions reduction or removal, generated from any project or programme, and (to avoid doubt) includes a certificate representing the avoidance of an amount of such emissions;

(b) a right to emit any greenhouse gas; or

(c) a means to satisfy any tax or regulatory obligation arising from the emission of any greenhouse gas,

and includes a carbon credit as defined in section 2(1) of the Carbon Pricing Act 2018;

“greenhouse gas” and “registry account” have the meanings given by section 2(1) of the Carbon Pricing Act 2018;

“National Environment Agency” means the National Environment Agency established under the National Environment Agency Act 2002.

*[S 900/2022 wef 23/11/2022]*

### **Digital payment tokens**

7. The provision of digital payment tokens as consideration in respect of any transaction (other than a transaction for a supply of money or digital payment tokens), is treated as neither a supply of goods nor a supply of services.

*[S 878/2019 wef 01/01/2020]*

*[G. N. Nos. S 103/1994, S 203/2000]*

LEGISLATIVE HISTORY  
GOODS AND SERVICES TAX (EXCLUDED TRANSACTIONS)  
ORDER  
(CHAPTER 117A, O 2)

This Legislative History is provided for the convenience of users of the Goods and Services Tax (Excluded Transactions) Order. It is not part of this Order.

**1. G. N. No. S 103/1994 — Goods and Services Tax (Excluded Transactions) Order 1994**

Date of commencement : 23 March 1994

**2. 1995 Revised Edition — Goods and Services Tax (Excluded Transactions) Order**

Date of operation : 1 April 1995

**3. G. N. No. S 203/2000 — Goods and Services Tax (Excluded Transactions) (Amendment) Order 2000**

Date of commencement : 15 April 2000

**4. 2001 Revised Edition — Goods and Services Tax (Excluded Transactions) Order**

Date of operation : 15 September 2001

**5. G. N. No. S 265/2003 — Goods and Services Tax (Excluded Transactions) (Amendment) Order 2003**

Date of commencement : 1 January 2003

**6. G.N. No. S 896/2018 — Goods and Services Tax (Excluded Transactions) (Amendment) Order 2018**

Date of commencement : 1 January 2019

**7. G.N. No. S 878/2019 — Goods and Services Tax (Excluded Transactions) (Amendment) Order 2019**

Date of commencement : 1 January 2020

**8. G.N. No. S 900/2022 — Goods and Services Tax (Excluded Transactions) (Amendment) Order 2022**

Date of commencement : 23 November 2022