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Notification No. B 17 — The Goods and Services Tax (Amendment) Bill is hereby published for general information. It was introduced in Parliament on the 21st day of October 2013.

Goods and Services Tax (Amendment) Bill

Bill No. 17/2013.

Read the first time on 21st October 2013.

A BILL

i n t i t u l e d

An Act to amend the Goods and Services Tax Act (Chapter 117A of the 2005 Revised Edition) and to make related amendments to certain other written laws.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1.—(1) This Act may be cited as the Goods and Services Tax (Amendment) Act 2013 and shall, with the exception of section 6, come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) Section 6 shall be deemed to have come into operation on 1st October 2012.

Amendment of section 6

2. Section 6 of the Goods and Services Tax Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after subsection (6), the following subsections:

“(6A) Notwithstanding anything in this section, the Comptroller may furnish to any person specified in subsection (6B) any information —

(a) which may be required for the purpose of investigating or prosecuting a person for an offence under Part VI of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Cap. 65A), the predicate offence of which is an offence under this Act; or

(b) which the Comptroller has reasonable grounds to suspect affords evidence of the commission of an offence under Part VI of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, the predicate offence of which is an offence under this Act.

(6B) The persons specified for the purposes of subsection (6A) are as follows:

(a) the Commissioner of Police;

(b) the Director of the Commercial Affairs Department.”; and

- (b) by inserting, immediately after subsection (7), the following subsections:

“(8) Notwithstanding anything in this section, the Comptroller may lay a complaint of professional misconduct against any person in his professional dealings with the Comptroller to the appropriate authority empowered to take disciplinary action against the person and may in connection with the complaint furnish any relevant documents or information.

(9) Notwithstanding anything in this section, the Comptroller may furnish to the Government or any statutory board for any statistical or research purpose any information relating to any person in a manner that does not identify, and is not reasonably capable of being used to identify, that person.”.

Amendment of section 25

3. Section 25(2) of the principal Act is amended —

- (a) by deleting the words “submitted or endorsed by the prescribed person” in paragraph (f) and substituting the words “submitted and approved through the prescribed means”; and
- (b) by deleting paragraph (g) and substituting the following paragraph:

“(g) provide for the seizure and forfeiture of goods where —

- (i) there is reasonable cause to suspect that the goods have been used or are intended to be used by any person in seeking or obtaining any refund referred to in subsection (1), in circumstances that constituted or would constitute an offence under section 62 or 63; or

- (ii) there is reasonable cause to believe that the goods may aid in any investigation or prosecution in connection with such offence; and”.

5 **Amendment of section 27**

4. Section 27(2) of the principal Act is amended by deleting the words “to be paid” in paragraph (b) and substituting the words “(or an amount equivalent thereto) to be paid by a prescribed person”.

Amendment of section 33

10 5. Section 33 of the principal Act is amended —

(a) by inserting, immediately after subsection (2A), the following subsections:

15 “(2B) For the purposes of this Act, goods imported by a taxable person as agent for a person who is not a taxable person and supplied by a substituted agent as agent for the person who is not a taxable person may be treated as imported by the taxable person as principal and supplied by the substituted agent as principal.

20 (2C) For the purposes of subsection (2B), unless the Comptroller otherwise allows, goods supplied by the substituted agent for a person who is not a taxable person shall not include goods which, following their import, undergo a treatment or process.

25 (2D) For the purposes of subsections (2) and (2B), where the taxable person or the substituted agent, as the case may be, ceases to be a taxable person before making a supply of the goods, and any credit for input tax has been allowed to the taxable person on the importation of the goods —

30 (a) in the case of subsection (2), the taxable person shall pay to the Comptroller the amount of the credit; and

- (b) in the case of subsection (2B), the substituted agent shall pay to the Comptroller the amount of the credit.”;
- (b) by deleting the words “subsection (2)” in subsection (3) and substituting the words “subsections (2) and (2B)”;
- (c) by deleting the word “and” at the end of subsection (5)(a);
- (d) by deleting the full-stop at the end of subsection (5)(b) and substituting the word “; and”; and
- (e) by inserting, immediately after paragraph (b) of subsection (5), the following paragraph:
- “(c) “substituted agent” means a taxable person who —
- (i) is appointed as agent by the person referred to in subsection (2B) who is not a taxable person, to take custody of the goods imported by the taxable person referred to in that subsection; and
- (ii) has informed the Comptroller, in such form and manner as the Comptroller may require, of his appointment.”.

Amendment of section 37B

6. Section 37B(2) of the principal Act is amended by inserting, immediately after the words “in relation to goods” in the definition of “refine”, the words “(including goods that are investment precious metals or precious metals)”.

Amendment of section 79

7. Section 79(5A) of the principal Act is amended by inserting, immediately after the words “public officer” in paragraph (c), the words “(including an employee appointed under section 9(4) of the Inland Revenue Authority of Singapore Act (Cap. 138A))”.

New section 83E

8. The principal Act is amended by inserting, immediately after section 83D, the following section:

“Arrest of persons

5 **83E.**—(1) The Minister may by regulations provide that the Comptroller or an authorised person may, in accordance with this section, arrest without warrant any of the following persons, and may search or cause to be searched, any person so arrested:

10 (a) any person found committing or attempting to commit, or employing or aiding any person to commit, or abetting the commission of, any offence under section 62 or 63 in connection with any refund sought or obtained pursuant to regulations made under section 25;

15 (b) any person whom he may reasonably suspect to have in his possession any goods liable to seizure pursuant to regulations made under section 25(2)(g)(i);

20 (c) any person against whom a reasonable suspicion exists that he has been guilty of any offence under section 62 or 63 in connection with any refund sought or obtained pursuant to regulations made under section 25.

(2) No woman shall be searched except by a woman.

25 (3) The Comptroller or an authorised person making an arrest without warrant shall, without unnecessary delay and subject to this section as to bail or previous release, take or send the person arrested before a Magistrate’s Court.

(4) The Comptroller or an authorised person shall not detain in custody a person arrested without a warrant for a longer period than under the circumstances of the case is reasonable.

30 (5) Such period shall not exceed 48 hours exclusive of the time necessary for the journey from the place of arrest to the Magistrate’s Court.

(6) A person who has been arrested by the Comptroller or an authorised person shall not be released except on his own bond or

on bail or under the special order in writing of a Magistrate or the Comptroller or authorised person.

(7) If any person liable to arrest under this Act is not arrested at the time of committing the offence for which he is so liable, or after arrest makes his escape, he may, at any time afterwards, be arrested and be dealt with as if he had been arrested at the time of committing the offence.”.

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Related amendments to other written laws

9. The provisions of the Acts specified in the first column of the Schedule are amended in the manner set out in the second column thereof.

10

THE SCHEDULE

Section 9

RELATED AMENDMENTS TO OTHER WRITTEN LAWS

First column

Second column

1. Income Tax Act
(Chapter 134, 2008 Ed.)

(a) Section 6

Insert, immediately after subsection (10A), the following subsections:

“(10B) Notwithstanding anything in this section, the Comptroller may furnish to any person specified in subsection (10C) any information —

(a) which may be required for the purpose of investigating or prosecuting a person for an offence under Part VI of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Cap. 65A), the predicate offence of which is an offence under this Act; or

THE SCHEDULE — *continued**First column**Second column*

(b) which the Comptroller has reasonable grounds to suspect affords evidence of the commission of an offence under Part VI of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, the predicate offence of which is an offence under this Act.

(10C) The persons specified for the purposes of subsection (10B) are as follows:

(a) the Commissioner of Police;

(b) the Director of the Commercial Affairs Department.”.

(b) Section 57(6A)

Insert, immediately after the words “public officer” in paragraph (c), the words “(including an employee appointed under section 9(4) of the Inland Revenue Authority of Singapore Act (Cap. 138A))”.

2. Property Tax Act
(Chapter 254, 2005 Ed.)

Section 38(11)

Insert, immediately after the words “public officer” in paragraph (c), the words “(including an employee appointed under section 9(4) of the Inland Revenue Authority of Singapore Act (Cap. 138A))”.

3. Stamp Duties Act
(Chapter 312, 2006 Ed.)

Section 70(7B)

Insert, immediately after the words “public officer” in paragraph (c), the words “(including an employee appointed under section 9(4) of the Inland Revenue Authority of Singapore Act (Cap. 138A))”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Goods and Services Tax Act (Cap. 117A) and to make related amendments to certain other written laws.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 6 (Official secrecy) by inserting new subsections (6A) and (6B) to allow the Comptroller of Goods and Services Tax (the Comptroller) to disclose certain information relating to a money laundering offence, the predicate offence of which is an offence under the Act, to the Commissioner of Police and the Director of the Commercial Affairs Department. The clause also inserts new subsections (8) and (9) to mirror section 6(11) and (13) of the Income Tax Act (Cap. 134).

Clause 3 amends paragraph (f) of section 25(2) (Refund or remission of tax in certain cases) to refer to approvals applied for through prescribed means (rather than to a prescribed person). The clause also amends paragraph (g) of section 25(2) to expand on the power of the Minister to make regulations in connection with the seizure and forfeiture of goods.

Clause 4 amends paragraph (b) of section 27(2) (Importation and supply of goods by taxable persons) to clarify that regulations made can prescribe the person (including persons other than the importer or supplier of goods) by whom the tax in question (or an amount equivalent thereto) is to be paid.

Clause 5 amends section 33 (Agents) by inserting new subsections (2B), (2C) and (2D) to provide that goods imported by a taxable person as agent, and supplied by a substituted agent as agent, for a person who is not a taxable person may be treated as imported by the taxable person as principal and supplied by the substituted agent as principal, and for matters consequential thereto. The clause further inserts a definition for “substituted agent” in subsection (5).

Clause 6 amends the definition of “refine” in subsection (2) of section 37B (Refining of goods into investment precious metals) to clarify that it includes changing an investment precious metal or a precious metal from one form to another (for example, from granules to a bar), or to a different level of purity.

Clause 7 amends paragraph (c) of section 79(5A) (Power to appoint agent, etc., for recovery of tax) to clarify that the Comptroller’s power to serve a notice on a public officer includes serving a notice on an employee of the Inland Revenue Authority of Singapore, to enable moneys which are intended to be paid by the Government through the Inland Revenue Authority of Singapore to a taxpayer to be off-set against tax owing by the taxpayer.

Clause 8 inserts a new section 83E to empower the Minister to make regulations to allow the Comptroller and any authorised person to arrest without warrant certain persons in connection with any refund sought or obtained pursuant to

regulations made under section 25, and for matters consequential thereto. The new section 83E largely mirrors section 112 of the Customs Act (Cap. 70).

Clause 9 makes amendments to various other tax Acts to mirror the amendments made *vide* clauses 2(a) and 7.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
