

Module	Tax
Jurisdictions	Singapore
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Module Application

Has the company fulfilled its taxation obligations?

Does the company file an annual tax return claiming only eligible deductions against taxable income, pay its income tax within 30 days of assessment, and retain tax records for 5 years?

If a person executes a document, is it a dutiable instrument and if so, how much stamp duty is payable and who is liable to pay?

Module Scope

The *TAX* module informs the entity, organisation or individual operating in Singapore of their legislated legal obligations. The module also demonstrates effective practical advice and assistance to the entity, organisation or individual operating in Singapore to implement procedures and processes that will ensure compliance and regulatory accountability throughout all levels of the entity.

The *TAX* module advises entities, organisations and individuals of the processes and procedures they need to implement to ensure compliance with all legal and regulatory obligations. Core legal and regulatory obligations are based on considerations of the broad questions determining;

- › Decision making;
- › Accountability;
- › Stewardship;
- › Direction; and
- › Control

To fulfil its purpose the module focuses on providing practical assistance to the Singaporean entity establishing and maintaining a robust foundational framework that determines;

- › How the organisation will function;
- › Who is the responsible decision maker;
- › What matters are relevant to the decision-making process; and
- › Whether the desired outcome has been achieved.

As entities, their employees and authorised individuals are all expected to be familiar with the broad landscape of legal obligations to which they are subject as well as more specific

obligations relevant to the particular sector they are operating in, the *TAX* module should be subscribed by all entities and organisations operating in Singapore, their employees and authorised individuals. The aim of the module is to equip the subscriber with knowledge of their obligations and the skills they require to establish relevant systems and processes to ensure compliance throughout their organisation.

A business organisation or entity operating in Singapore are obligated to fulfil taxation requirements for some or all of these taxes;

- › Income tax;
- › Goods and Services Tax (GST);
- › Casino Tax;
- › Stamp duty;
- › Carbon pricing;
- › Clubs & Associations;
- › International tax;
- › Betting and Sweepstakes Duties;
- › Dutiable goods; and
- › Property tax.

The broad scope of the *TAX* module is to provide entities or organisations operating in Singapore with answers to these questions in relation to their payment of tax;

- › What are our legal obligations?
- › From where are our legal obligations derived?
- › How can we ensure that we are complying with our legal obligations?
- › What are the consequences if we are not complying with our legal obligations?

The *TAX* module covers all legislated legal obligations of entities or organisations operating in Singapore and demonstrates practical assistance and guidance to ensure that these obligations are complied with through the implementation and maintenance of best practice processes throughout the organisation. The module also covers the role of the regulator as well as exemptions to the obligations, if applicable, and how they may or may not apply in particular circumstances.

The module fulfils this objective by comprehensively covering three main areas;

1. The legislative and regulatory landscape from which the primary legal obligations are derived;
 - › Income Tax Act (Cap 134) (SNG)
 - › Goods and Services Tax Act (Cap 1171A) (SNG)
 - › Casino Control Act (Cap 33A) (SNG)
 - › Stamp Duties Act (Cap 312) (SNG)

- Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 (SNG)
 - Customs Act 2004 (Cap 70) (SNG)
 - Property Tax Act 2005 (Cap 254) (SNG)
 - Property Tax (Rates) Order (Cap 254) (SNG)
 - Carbon Pricing Act 2018 (SNG)
 - Carbon Pricing (Measurement, Reporting and Verification) Regulations 2018 (SNG)
 - Betting and Sweepstake Duties Act 2012 (Cap 322) (SNG)
2. The specific areas where legal and regulatory obligations apply to the entity or organisation operating in Singapore;
- Income tax;
 - Unique entity number;
 - Tax residency;
 - Taxable and non-taxable income;
 - Exempt income;
 - Foreign income;
 - Business expenses;
 - Capital allowances;
 - Charitable donations;
 - Filing estimated chargeable income;
 - Filing form C/Form C-S/Form C-S;
 - Payment of income tax; and
 - Record keeping.
 - Goods and Services Tax (GST);
 - Register for GST – compulsory registration;
 - Register for GST – voluntary registration;
 - Charging and accounting for GST;
 - Filing GST returns on time;
 - Display of prices inclusive of GST;
 - Keeping proper records;
 - Issue tax invoices with GST registration numbers;

- Notify IRAS of any changes;
 - Customer to account for tax on certain supplies of goods or services;
 - Accounting for GST at the point of de-registration;
 - Zero-rating for exports and international services;
 - Treatment of companies as one group for taxation purposes;
 - When an agent of a company can be accountable for tax;
 - Adjustment of contracts in changes in tax; and
 - Transferring a business as a going concern.
- ▶ Stamp duty;
- Payment of duty and e-stamping system;
 - Liability for payment of stamp duty;
 - Claiming allowances;
 - Duty on share transfer
 - Duty and voluntary conveyance;
 - Duty and conveyance with obligations;
 - Duty and foreclosure orders;
 - Duty on conveyance of equity interest in property holding entities;
 - Duty in leases;
 - Duty in mortgages;
 - Duty in conversion of a firm or private company to a limited liability partnership;
 - Time of stamping instruments; and
 - Duty and variable capital companies.
- ▶ Carbon emission requirements and carbon pricing;
- Registration and reporting;
 - Carbon tax and credits; and
 - Emissions report and monitoring plan.
- ▶ Casino Regulations;
- Payment of casino tax;
 - Controlled contracts, casino conduct and controls;
 - Casino operations; and
 - Casino advertising and responsible gaming.

- Betting and Sweepstakes Duties;
 - Calculation of betting and sweepstakes duties; and
 - Account keeping and statement submitting.
 - Clubs & Associations tax;
 - Payment of duty by clubs and similar institutions; and
 - Payment of duty by trade associations.
 - International Tax;
 - Common reporting standard requirement;
 - Country-by-country reporting requirement;
 - Transfer pricing; and
 - Obligation in foreign account tax compliance act.
 - Duties and dutiable goods;
 - Calculation of dutiable goods.
 - Property tax;
 - Payment of property tax;
 - Determine annual value of buildings; and
 - Rate of property tax.
3. Significant consequences can apply to entities or organisations operating in Singapore found to have breached or not complied with their tax legal obligations. These consequences vary considerably depending on the nature and extent of the breach or failure. The *TAX* module covers specific consequences in detail. They can include the imposition of a tax penalty, an administrative penalty or charge, or a general interest charge on amounts of outstanding tax.

The *TAX* module primarily focuses on the civil obligation for an entity or organisation operating in Singapore to pay tax. The module does not focus on tax fraud or tax evasion which are criminal offences that can result in terms of imprisonment for offenders.

The *TAX* module does not cover the rights or entitlements of individuals who have suffered damages or losses due to breaches of obligations by Singaporean tax paying entities or organisations. The module does not cover the process that an entity or an individual would follow to report or seek compensation for the breach or their loss.

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