
No. S 000

**GOODS AND SERVICES TAX
(CHAPTER 117A)**

**GOODS AND SERVICES TAX
(GENERAL) (AMENDMENT) REGULATIONS 2018**

In exercise of the powers conferred by sections 15, 25 and 86 of the Goods and Services Tax, the Minister for Finance makes the following Regulations:

Citation and commencement

1. These Regulations are the Goods and Services Tax (General) (Amendment) Regulations 2018 and come into operation on 2018.

New Part IVA

2. The Goods and Services Tax (General) Regulations (Rg 1) (called in these Regulations the principal Regulations) are amended by inserting, immediately after Part IV, the following Part:

“PART IVA

**PLACE WHERE RECIPIENT OF
SEVENTH SCHEDULE SUPPLY BELONGS**

Place where recipient of Seventh Schedule supply belongs

21.—(1) This regulation applies in determining whether a customer receiving a Seventh Schedule supply belongs in Singapore.

(2) The customer belongs in Singapore if —

- (a) details of the bank account from which the payment for the purchase of the services is made, or details of the customer’s payment account or payment card provided for the purchase, support the conclusion that the customer belongs in Singapore; and

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- (b) either of the following supports the conclusion that the customer belongs in Singapore:
- (i) the customer’s billing address or home address, or in the case of a customer that is not an individual, the customer’s registered address;
 - (ii) the mobile country code, IP address or any other information identifying the physical location of device used by customer to make the purchase.

(3) If the details mentioned in paragraph (2)(a) are not available or do not support the conclusion that the customer belongs in Singapore, the customer still belongs in Singapore if the matters in both sub-paragraphs (i) and (ii) of paragraph (2)(b) support the conclusion that the customer belongs in Singapore.

(4) The Comptroller may, in any particular case, allow the use of other means to determine if a customer is a person who belongs in Singapore.”.

Amendment of regulation 42A

3. Regulation 42A of the principal Regulations is amended —

- (a) by inserting, immediately after the words “taxable person” in paragraph (2)(b), the words “or is a registered (section 8(1A) supplies — pay only) person”; and
- (b) by inserting, immediately after the words “taxable person” in paragraph (2)(c), the words “other than a registered (section 8(1A) supplies — pay only) person”.

Amendment of regulation 46

4. Regulation 46 of the principal Regulations is amended by inserting, immediately after the word “Act” in the definition of “overseas person”, the words “or is a registered (section 8(1A) supplies — pay only) person”.

Amendment of regulation 46A

5. Regulation 46A of the principal Regulations is amended by inserting, immediately after paragraph (24) the following paragraph:

“(25) In this regulation, “overseas person” has the same meaning as in regulation 46.”.

Amendment of regulation 52

6. Regulation 52(8) of the principal Regulations is amended by deleting “91(3)” in the definition of “effective date” and substituting “91(1) or (2)”.

Amendment of regulation 82

7. Regulation 82 of the principal Regulations is amended —

- (a) by inserting, immediately after the word “refund” in the definition of “claim” in paragraph (1), the words “or reduction”; and
- (b) by deleting the word “and 12” in paragraph (2) and substituting the words “, 12 and 92(3) and (5)”.

Amendment of regulation 83

8. Regulation 83 of the principal Regulations is amended —

- (a) by inserting, immediately after paragraph (1), the following paragraphs:

“(1A) Where the claimant is a registered (section 8(1A) supplies — pay only) person, the person —

- (a) is not entitled to a refund of the amount of tax chargeable by reference to the outstanding amount (except as allowed under paragraph (1B)); but
- (b) is entitled to reduce, from the output tax due from him for the prescribed accounting period for which the claim is made, that amount of tax chargeable.

(1B) Where the amount of tax chargeable mentioned in paragraph (1A) exceeds the output tax for the prescribed accounting period for which the claim for reduction is made, any amount of the difference —

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- (a) may be used to reduce the output tax due from the person in any subsequent prescribed accounting period; or
 - (b) if the Comptroller allows, may be refunded by the Comptroller to the person.”; and
- (b) by deleting the words “under paragraph (1)” in paragraph (2) and substituting the words “or reduction under paragraph (1) or (1A)”.

Amendment of regulation 84

9. Regulation 84 of the principal Regulations is amended by inserting, immediately after the word “refund” wherever it appears in paragraphs (1) and (2), the words “or reduction (as the case may be)”.

Amendment of regulation 86

10. Regulation 86 of the principal Regulations is amended by deleting paragraph (3) and substituting the following paragraph:

“(3) Any records created in pursuance of this regulation must be kept —

- (a) in a single account to be known as the “refunds for bad debts account”; or
- (b) where regulation 83(1A) applies, in a single account to be known as the “reductions pursuant to bad debts account”.

Amendment of regulation 89

11. Regulation 89 of the principal Regulations is amended —

- (a) by inserting, immediately after the word “refund” in paragraph (1)(a), the words “or made a reduction,”; and
- (b) by inserting, immediately after the words “amount of the refund” wherever they appear in paragraphs (1) and (3), the words “or reduction”.

New Part XIIA

12. The principal Regulations are amended by inserting, immediately after Part XII, the following Part:

“PART XIIA

REVERSE CHARGE ADJUSTMENTS

Definitions of this Part

90A.—(1) In this Part —

“claim” means a claim made to the Comptroller under regulation 90B, in accordance with regulation 90C, for a refund in respect of a reverse charge supply;

“claimant” means a recipient under section 14(2) of the Act, that makes a claim;

“outstanding consideration” means —

(a) if at the time of the claim the claimant has made no payment by way of the consideration to the overseas supplier for the services in fact supplied by the overseas supplier to him, an amount equal to the amount of the consideration owing to the overseas supplier;

(b) if at that time the claimant has made a payment or payments by way of the consideration in respect of the services in fact supplied by the overseas supplier to him, an amount by which the payment (or the aggregate of the payments) is exceeded by the amount of the consideration of such supply;

“payment” means any payment or part-payment which is made by the claimant to the overseas supplier by way of consideration for the supply by the overseas supplier to him regardless of whether such payment is in full settlement of the amount owing by the claimant to the overseas supplier or not;

“overseas supplier” means the person or branch mentioned in section 14(1)(a) of the Act or the member of a group mentioned in section 30 of the Act, that makes a supply to a recipient which gives rise to a reverse charge supply;

“reverse charge adjustment account” has the meaning given in regulation 90E(3).

(2) Sections 11C and 93(3) of the Act apply for determining the time when a reverse charge supply is to be treated as taking place for the purposes of this Part.

Adjustment for reverse charge supply

90B. Subject to these Regulations, a claimant is entitled, on making a claim to the Comptroller, to a refund of the difference between the amount of output tax chargeable, and the amount of input tax claimable by him, on the reverse charge supply by reference to the outstanding consideration, where —

- (a) the claimant has accounted for and paid tax on the reverse charge supply;
- (b) the payment for the whole or any part of the consideration for the reverse charge supply has not been made by the claimant to the overseas supplier for a period of more than 12 months since the date the reverse charge supply was treated as having been made by the claimant;
- (c) the value of the reverse charge supply is equal to or less than its open market value;
- (d) the claim is made within a period of 5 years commencing on the day the reverse charge supply was treated as having been made, or such longer period as the Comptroller may have allowed; and
- (e) the Comptroller is satisfied that there is a genuine commercial reason for the failure of the claimant to make payment of the whole or any part of the consideration to the overseas supplier for the reverse charge supply.

Making claim to Comptroller

90C.—(1) Except as the Comptroller may otherwise allow, the claimant must make the claim by including the relevant amount of refund in the appropriate box or boxes, as the case may be, on his return for the prescribed accounting period in which the claim is made.

(2) If, at the time the claimant becomes entitled to make the claim, he is no longer required to make returns to the Comptroller, he must make a claim to the Comptroller in such form and manner as the Comptroller may determine.

Evidence required to support claim

90D. Except as the Comptroller may otherwise allow, the claimant must, at the time he makes the claim, hold in respect of the reverse charge supply that is the subject of the claim—

- (a) a copy of any invoice or document provided by the overseas supplier that made the supply to the claimant, showing the time, nature and overseas supplier of, and the consideration for, the supply made by the overseas supplier;
- (b) records or other document showing that the claimant has accounted for and paid the output tax on the reverse charge supply;
- (c) records or other document showing any amount of input tax claimed by the claimant;
- (d) records or other document showing that the consideration has not been paid in full by the claimant to the overseas supplier; and
- (e) records or other document showing that all reasonable efforts have been taken by the claimant to resolve any dispute over the consideration for the supply in fact made.

Records to be kept for claim

90E.—(1) A claimant must keep a record of the claim made.

(2) Except as the Comptroller may otherwise allow, the record must consist of the following information:

- (a) in respect of the reverse charge supply that is the subject of the claim —
 - (i) the amount of output tax chargeable and any corresponding amount of input tax claimable;
 - (ii) the prescribed accounting period in which the output tax chargeable was accounted for and paid to the Comptroller, and the input tax was claimed;
 - (iii) the date and number of any invoice issued in relation to or, where there is no such invoice, such information as is necessary to identify the time, nature and overseas supplier of the supply made that gave rise to the reverse charge supply; and
 - (iv) the amount of any payment made for the supply made by the overseas supplier;
- (b) the amount of the outstanding consideration to which the claim relates;
- (c) the amount of the claim; and
- (d) the prescribed accounting period in which the claim was made.

(3) The records must be kept in the form of an account to be known as the “reverse charge adjustment account”.

Preservation of documents and records and duty to produce

90F.—(1) Except as the Comptroller may otherwise allow, the claimant must preserve the documents, invoices and records which he holds or keeps in accordance with regulations 90D and 90E for a period of not less than 3 years starting on the date of the claim.

(2) Upon demand made by an authorised person, the claimant must produce or cause to be produced any such documents, invoices and records for inspection by the authorised person and

permit him to remove them at a reasonable time and for a reasonable period.

(3) Nothing in this regulation is to be construed as derogating from any requirement under the Act to preserve any document, invoice or record for a period exceeding 3 years.

Reversal of adjustment made under claim

90G.—(1) Where a claimant —

- (a) has been given a refund pursuant to a claim; and
- (b) either —
 - (i) subsequently makes a payment to the overseas supplier for the supply made by the overseas supplier to him within the period of 5 years from the end of the accounting period in which the tax on the reverse charge supply was accounted for; or
 - (ii) makes a payment which, by virtue of regulation 90H, is treated as attributed to the supply,

the claimant must repay to the Comptroller an amount calculated in accordance with the formula

$$A \times \frac{B}{C}$$

where A is the amount of the tax refund, or (if any reversal under this regulation was previously made) the balance of the tax refund;

B is the amount of payment so made or attributed;
and

C is the amount of the outstanding consideration.

(2) The claimant must repay to the Comptroller the amount referred to in paragraph (1) by including the relevant amount of refund in the appropriate box or boxes on his return for the prescribed accounting period in which the payment mentioned in paragraph (1)(b) is made.

(3) Except as the Comptroller may otherwise allow, where the claimant fails to comply with the requirements of regulation 90D, 90E or 90F, the claimant must repay to the Comptroller the amount of the tax refund obtained to which the failure to comply relates; and he must repay the amount by including the relevant amounts of output tax and input tax in the appropriate box or boxes on his return for the prescribed accounting period which the Comptroller designates for that purpose.

(4) If, at the time the claimant is required to repay any amount, he is no longer required to make returns to the Comptroller, the claimant must repay the amount to the Comptroller within one month after he makes the payment mentioned in paragraph (1), and in such form and manner as the Comptroller may determine.

Attribution of payments

90H.—(1) Where —

- (a) more than one supply of services was made by the same overseas supplier to a claimant, each giving rise to a reverse charge supply;
- (b) a payment was made by the claimant to the overseas supplier for those supplies,

then, for the purpose of regulation 90G, the payment is to be attributed to each supply made by the overseas supplier in accordance with paragraphs (2), (3) and (4).

(2) The payment must be attributed to the supply which is the earliest in time and, if not wholly attributed to that supply, thereafter to the supplies in the order of the dates on which they were made.

(3) Attribution under sub-paragraph (2) must not be made to any supply made by the overseas supplier if the payment was allocated to that supply by the claimant at the time of payment and the consideration for that supply was paid in full.

(4) Where —

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- (a) the earliest supply and other supplies made by the overseas supplier to which the whole of the payment could be attributed under this regulation occur on one day; or
- (b) the supplies made by the overseas supplier to which the balance of the payment could be attributed under this regulation occur on one day,

the payment must be attributed to those supplies by applying for each supply the formula

$$A \times \frac{B}{C}$$

where A is the payment made by the claimant to the overseas supplier;

B is the amount of the outstanding consideration;
and

C is the total outstanding consideration for the supplies mentioned in paragraph (a) or (b) (as the case may be).

Consideration unpaid

90I.—(1) This regulation applies for the purpose of ascertaining whether, and to what extent, the consideration is treated as being unpaid by the claimant to the overseas supplier for a supply made by the overseas supplier to the claimant.

(2) The whole or any part of the consideration for a supply is taken to have been unpaid by the claimant to the overseas supplier when that supply is entered into the reverse charge adjustment account, regardless of whether a claim can be made in relation to that supply at that time.

(3) Where the overseas supplier owes an amount of money to the claimant which can be set-off against the outstanding consideration, the unpaid consideration in the accounts is to be reduced by the amount so owed.

(4) Where the overseas supplier holds in relation to the claimant an enforceable security, the consideration treated as being unpaid in the accounts of the claimant is to be reduced by the value of that security.”.

Made on 2018.

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Singapore.*

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