Singapore

Since 1 January 2023 Singapore introduced VAT on Low-Value Goods(LWG) for remote sellers.

VAT Standard rate

The standard VAT rate in Singapore in 2023 is 8%.

VAT Reduced rate

There are no reduced rates in Singapore.

Exempt supplies

Supplies that are exempt from GST are:

- the provision of financial services;
- the supply of digital payment tokens;
- the sale and lease of residential properties;
- the import and local supply of investment precious metals.

Threshold

There are two criteria for sellers to be registered for GST in Singapore:

- the first is a distant sales threshold is 100,000 Singapore dollars for goods sold to Singapore This amount includes the value of B2C LVG supplies and remote services supplied to Singapore;
- the second is a global revenue – of 1 million Singapore dollars;

That means that for non-Singapore businesses VAT registration obligation starts when both criteria are reached.

Deductible VAT

Overseas Sellers are registered under a simplified pay-only scheme (OVR). That means input tax is not deductible on taxable purchases made in Singapore. This scheme features simplified GST reporting and documentation requirements.

Low-value goods

An item with an intrinsic value of less than 400 Singapore dollars (approx. 300 USD) is a Low value good. An order may consist of several LVG items or LVG and non-LVG items. LVG goods are considered as LVG even when the intrinsic value of the parcel exceeds 400 Singapore dollars. Intrinsic value is a price that excludes insurance and freight costs when charged separately.

Registration procedure

Business is required to apply for GST registration within 30 days:

- after the end of the year 2022 when two thresholds are exceeded in 2022;
- or when in a current calendar year threshold is reached.

Documents required:

- director ID;
- certificate of Incorporation, officially translated into English and notarized.

Foreign business is not required to appoint a local nor is required to provide a security deposit.

VAT payment date

The due date for GST payment is within one month from the end of each quarter, but note that the date is considered as a date when tax authority received the money. We recommend paying 3-7 days before the deadline.

Filing VAT returns

The due date for GST return is within one month from the end of each quarter.

Penalties

A late submission penalty is $200 is imposed immediately once the GST return is not filed by the due date. A further penalty of $200 is imposed for every completed month that the GST return is not filed.