SUMMARY TABLE ON PROPOSED CHANGES TO THE GST ACT

S/N.	**Legislative Change**	**Brief Description of Legislative Change**	**Amendment to GST Act [Clause in GST (Amendment) Bill 2017]**
1	Extend customer accounting for GST-registered Real Estate Investment Trusts (REITs) and their Special purpose Vehicles (SPVs) to movable assets bought together with a non-residential property from the same seller	Currently, to ease cash flow, customer accounting applies to a GST-registered supplier's sale of a non-residential property to a REIT or its SPV. It does not apply to any movable assets (e.g. furniture and furnishings, home appliances) that are sold together with the property. A GST-registered supplier who sells a furnished non-residential property to the REIT or its SPV will have to apportion the selling price into the value of the unfurnished property and that of the movable assets. To ease business compliance, customer accounting will be extended to movable assets bought together with a non-residential property from the same seller. For more information on the change, please refer to the draft Goods and Services Tax (General) (Amendment) Regulations 2017. The change will take effect from 1 January 2018.	Section 38 [Clause 3]
2	Provide for basis to implement an "opt-out" approach for digital tax notices	The wide availability of technology allows taxpayers to receive digital instead of hardcopy tax notices. The use of digital notices gives taxpayers greater convenience, security and timeliness of alert. To enable more taxpayers to benefit from digital channels, the Act will be amended so that taxpayers who wish to continue receiving hardcopies can opt out while others will receive digital tax	Section 42 and 87 [Clauses 6, 9]

S/N.	Legislative Change	Brief Description of Legislative Change	Amendment to GST Act [Clause in GST (Amendment) Bill 2017]
		notices. (The current provisions of the Act require taxpayers to provide specific consent before the Comptroller can issue them with digital tax notices instead of hardcopy notices.) Taxpayers will have the flexibility to manage their preference for hardcopy or e-copy at any time. For more information on the change, please refer to the draft Goods and Services Tax (Electronic Service) Regulations 2017. The amendment will take effect from 1 January 2018.	
3	Provide for the GST treatment for the sale of Government land with existing buildings to be demolished to follow the approved use of the land, rather than the approved use of the building	Currently, when Government land is sold with an existing building to be demolished, the GST treatment on whether the supply is exempt or taxable depends on the approved use of the building, which might not reflect the approved use of the land. The change will provide more consistency in tax treatment for this category. In addition, reference to the land zone "Rural Centre and Settlement" is removed as the land zone is no longer in use. The change will take effect from 1 January 2018.	Fourth Schedule to the GST Act [Clause 10]
4	Extend customer accounting to prescribed supplies commonly used in fraud schemes	GST-registered businesses charge GST (output tax) on their taxable supplies of goods or services. They are allowed to offset the GST they pay for their purchases (input tax) against their output tax, and pay the net difference to the Comptroller.	Section 12, 38 and new Section 38A [Clauses 2, 3, 4]

S/N.	Legislative Change	Brief Description of Legislative Change	Amendment to GST Act [Clause in GST (Amendment) Bill 2017]
		Under customer accounting, GST-registered sellers will not charge GST on the sale of prescribed supplies to GST-registered customers. Instead, their GST-registered customers will be required to account to the Comptroller of GST for the GST chargeable. This will deter fraud schemes where the seller absconds with the GST collected, and businesses further along the supply chain continue to claim input tax. Customer accounting will be applicable for supplies of mobile phones, memory cards and off-the-shelf software, which are commonly used in fraud schemes. These supplies will be prescribed in subsidiary legislation. EU jurisdictions such as Austria, Denmark, Germany, Italy, Netherlands and United Kingdom have also implemented customer accounting in response to similar fraud schemes. For more information on the change, please refer to the draft Goods and Services Tax (General) (Amendment) Regulations 2017. The change will take effect from 1 January 2018.	
5	Provide for electronic record keeping requirements and additional requirement for invoice details for selected businesses	The change is intended for strengthening tax administration, and will assist the Comptroller in verifying that GST transactions are properly accounted for. Selected businesses might be required to maintain an electronic inventory system with details of sales and purchases. The Comptroller might also require invoices to include additional details, such as the model and serial number of goods.	Section 41 and 46 [Clauses 5 and 7]

S/N.	Legislative Change	Brief Description of Legislative Change	Amendment to GST Act [Clause in GST (Amendment) Bill 2017]
		For more information on the change, please refer to the draft Goods and Services Tax (General) (Amendment) Regulations 2017. The change will take effect from 1 January 2018.	
6	Provide for the monthly penalty of $200 for late submission of GST returns to commence immediately after the filing due date	Currently, a monthly penalty of $200 is imposed on outstanding returns starting from one month after the filing due date. For example, for prescribed accounting period ending 31 March, the filing due date is 30 April, and the monthly penalty will be imposed if the return is submitted after 31 May. To be equitable to taxpayers who file on time and deter late filing of tax returns, the penalty will now be imposed if the taxpayer fails to submit the GST return by the filing due date. Taking the same example above for prescribed accounting period ending 31 March, the filing due date is 30 April, and the monthly penalty will be imposed if the return is submitted after 30 April. The change will take effect from 1 April 2018.	Section 60 [Clause 8]