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JOINT NEWS RELEASE

FOUR MEN CHARGED FOR LAUNDERING FRAUDULENT VAT REFUNDS FROM OVERSEAS, FAILURE TO DECLARE CROSS BORDER PHYSICAL MOVEMENT OF CASH AND/ OR FAILURE TO DECLARE GOODS IMPORTED INTO SINGAPORE

Four men have been charged for engaging in a conspiracy to launder fraudulent Value-Added-Tax (“VAT”) refunds from the United Kingdom. They are, a 34-year-old male, Yeo Alan (“Alan”), a 27-year-old male, Siddhartha Ikeda s/o Asai Thamby (“Siddhartha”), a 40-year-old male, Ng Wai Wah, Kelvin (“Kelvin”) and a 39-year old male, M J-Earn Joesz (“M J”).

2 The Commercial Affairs Department and Singapore Customs had conducted joint investigations into this case, following information received by Singapore Customs of an unsuccessful attempt to make VAT (“Value-Added Tax”) refund claims in an European country.

3 Between 21 December 2020 and 1 January 2021, Alan allegedly recruited Kelvin and M J to travel to London for the purpose of claiming fraudulent VAT refunds at Heathrow Airport. M J was introduced by Siddhartha to Alan. Kelvin and M J were allegedly not entitled to claim such VAT refunds as they did not purchase the jewellery pieces in question in the United Kingdom. It is further alleged that the invoices relied on to claim the refunds were fictitious. In total, they received EUR 42,975 in VAT refunds.

4 After obtaining the VAT refunds, Kelvin and M J brought the refunds back to Singapore. On their return, the fraudulent VAT refunds were allegedly handed

over to Alan, who subsequently paid commissions to Kelvin, M J and Siddhartha, and took a cut for himself.

5 It is further alleged that Alan instructed M J to bring jewellery from overseas to Singapore and not to declare the jewellery so imported to Singapore Customs. As a result, M J allegedly received pieces of jewellery in London and Amsterdam, which he brought into Singapore without making the necessary declaration under the Customs Act.

6 On 13 December 2022, the four men were charged in court for engaging in a conspiracy to possess the fraudulently obtained VAT refunds under Section 47(1)(c) of the Corruption, Drug Trafficking and other Serious Crimes (Confiscation of Benefits) Act, Chapter 65A (“CDSA”) read with Section 109 of the Penal Code, Chapter 224. In addition:

- a) Kelvin and M J were charged for failing to declare that they were carrying into Singapore cash which value exceeded the prescribed amount under Section 48C(2) of the CDSA;
- b) M J was charged for failing to declare goods imported into Singapore under Section 128B(1)(a) of the Customs Act; and
- c) Alan was charged for abetting others to breach their cash reporting obligations and for abetting M J in committing the offence under the Customs Act.

7 Under Section 47 of the CDSA, a person who commits an offence under Section 47(1)(c) shall be liable on conviction to a fine of up to \$500,000 or to imprisonment for a term of up to 10 years or to both.

8 Under Section 48C of the CDSA, a person shall be liable on conviction to a fine of up to \$50,000 or to imprisonment for a term of up to 3 years or to both.

9 Under Section 128L of the Customs Act, a person who commits an offence under Section 128B(1) of the Customs Act shall be liable on conviction to a fine of up to \$10,000 or the equivalent of the amount of the customs duty, excise duty or tax payable, whichever is the greater amount, or to imprisonment for a term of up to 12 months, or to both.

10 Claiming tax refunds from overseas through fraudulent means is a serious form of tax fraud. Singapore adopts a zero tolerance approach towards the laundering of proceeds of tax fraud and other criminal activities. The authorities will not hesitate to take action against any individuals who commit these offences. To avoid being an accomplice to crimes, members of the public should always reject dubious job offers to travel for the purpose of claiming sales tax refunds from overseas.

11 The Police would further like to remind members of the public of the statutory requirement to declare the physical movement of any cash or bearer negotiable instrument exceeding S\$20,000 (or its equivalent in foreign currency) into or out of Singapore.

12 Singapore Customs would also like to remind members of the public that it is the responsibility of all arriving travellers to make accurate and complete declarations of dutiable and taxable goods in their possession for duty and GST payment.

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