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All Zero GST and Licensed Warehouse Licensees

TEMPORARY REMOVAL OF GOODS FROM ZERO GST OR LICENSED WAREHOUSES FOR AUCTIONS AND EXHIBITIONS

During the Budget Speech on 22 January 2009, the Minister for Finance announced that with effect from 1 April 2009, GST and/or duty would be suspended on qualifying goods that are permitted to be temporarily removed from a Zero-GST or Licensed warehouse (“approved warehouse”) for qualifying events. The GST and/or duty on the sales of the goods at the events would be further suspended when the goods are returned to any approved warehouse after the events.

2. Qualifying goods include wine falling under HS Headings 2204 and 2205 and selected HS heading 2206 and all imported non-dutiable goods. The list of wines is attached in the one-page Annex enclosed.
3. Qualifying events refer to auctions or exhibitions, including related activities such as auction previews and trade fairs. The allowable temporary removal period is for a maximum of 1 month or the duration of the qualifying events, whichever is earlier.
4. These changes are intended to promote specialised storage facilities, as well as auctions and exhibitions in Singapore.

Procedures relating to Permit Requirements

5. The warehouse licensees would need to pre-register the event with their Account Managers in Singapore Customs. A removal permit must be declared for the temporary removal of the goods covering the movement from the warehouse to the qualifying event venue. At the end of the qualifying event, the goods are to be returned to any approved warehouse via a removal permit. For any goods that are not returned to the approved warehouses after the event, a payment permit must be taken up to pay the import GST and/or duty suspended earlier.
6. If the goods sold are for export, a removal permit must be taken up to return the goods to the approved warehouses for subsequent export under an outward permit. At the time of export, the goods with the accompanying outward permit must be produced for clearance at the checkpoints manned by Immigration & Checkpoints Authority (ICA). If the goods are to be hand-carried for export by air, the goods and the outward permit would need to be produced to Singapore Customs at the GST Refund Counters for clearance. For details on the documentation required, please refer to IRAS’ e-tax guides “A Guide for Exports” and “GST: Guide on Hand-Carried Export Scheme (HCES)” at www.iras.gov.sg.
7. The warehouse licensee is responsible for the goods that had been temporarily removed. GST and/or duty would be recovered on any goods that are not accounted for.

Procedures relating to accounting of GST to IRAS (for GST-registered entities)

8. In general, if the licensee (acting as a GST agent under Section 33(2) of the GST Act) or importer is GST registered, he can claim the GST paid as input tax if it is incurred for business purposes and attributable to the making of taxable supplies, which is the sale of the goods in this case.

9. If the goods are consumed/given away and not returned to the approved warehouse and the licensee (acting as a GST agent under Section 33(2) of the GST Act) or importer is GST registered and entitled to claim the input tax, he will need to account for deemed output tax to IRAS on goods given away (subject to some exceptions) and goods consumed for private use. More details can be found on IRAS' website at www.iras.gov.sg.

10. If the goods are sold and delivered locally without being returned to the approved warehouse and the seller (which includes auction houses) is GST-registered, he has to charge GST on the sale of goods delivered locally and account the output GST to IRAS.

11. For more information, please approach your Account Manager in Singapore Customs directly or email us at customs_schemes@customs.gov.sg.



WINSTON TAY
HEAD
SCHEMES PROMOTION & ADMINISTRATION BRANCH
for DIRECTOR-GENERAL OF CUSTOMS

ANNEX

HS Code	Product Description
2204.10.00	Sparkling Wines
2204.21.11	Still wine; In container holding 2 Litres or less; of alcoholic strength by volume not exceeding 15% vol
2204.21.12	Still Wine; In container holding 2 Litres or less; of alcoholic strength by volume exceeding 15% vol
2204.29.11	Other wine; In container holding more than 2 Litres; of alcoholic strength by volume not exceeding 15% vol
2204.29.12	Other wine; In container holding more than 2 Litres; of alcoholic strength by volume exceeding 15% vol
2204.21.21	Grape must, with fermentation prevented or arrested by the addition of alcohol, including fortified wine, 2ltr or less, not exceeding 15% alc/vol
2204.21.22	Grape must, with fermentation prevented or arrested by the addition of alcohol, including fortified wine, 2ltr or less, exceeding 15% alc/vol
2204.29.21	Grape must, with fermentation prevented or arrested by the addition of alcohol, including fortified wine, more than 2 ltr, not exceeding 15% alc/vol
2204.29.22	Grape must with fermentation prevented or arrested by the addition of alcohol, in containers holding more than 2 litre, of an alcoholic strength by volume exceeding 15% vol
2204.30.10	Other grape must, not exceeding 15% alc/vol
2204.30.20	Other grape must, exceeding 15% alc/vol
2205.10.10	Vermouth and other grape wine flavoured with plants or aromatic substances, 2 ltr or less, not exceeding 15% alc/vol
2205.10.20	Vermouth and other grape wine flavoured with plants or aromatic substances, 2 ltr or less, exceeding 15% alc/vol
2205.90.10	Vermouth and other grape wine flavoured with plants or aromatic substances, more than 2 ltr, not exceeding 15% alc/vol
2205.90.20	Vermouth and other grape wine flavoured with plants or aromatic substances, more than 2 ltr, exceeding 15% alc/vol
2206.00.10	Cider & Perry
2206.00.90	Mead and other fermented beverages and mixtures of fermented beverages and non-alcoholic beverages

UPDATE OF CIRCULAR BY SINGAPORE CUSTOMS

Circular No. 04/2009: TEMPORARY REMOVAL OF GOODS FROM ZERO GST OR LICENSED WAREHOUSES FOR AUCTIONS AND EXHIBITIONS (dated 17 Mar 2009)			
Paragraph	Current Details	Updated Details	Date of Update
5	A removal permit must be declared for the temporary removal of the goods covering the movement from the warehouse to the qualifying event venue.	A declaration letter (the Account Manager will provide the declaration letter upon company's request) must be submitted for the temporary removal of the goods covering the movement from the warehouse to the qualifying event venue.	5 Jan 2015
5	At the end of the qualifying event, the goods are to be returned to any approved warehouse via a removal permit .	At the end of the qualifying event, the goods are to be returned to any approved warehouse via a declaration letter (the Account Manager will provide the declaration letter upon company's request) .	
6	If the goods sold are for export, a removal permit must be taken up to return the goods to the approved warehouses for subsequent export under an outward permit.	If the goods sold are for export, a declaration letter (the Account Manager will provide the declaration letter upon company's request) must be taken up to return the goods to the approved warehouses for subsequent export under an outward permit.	