



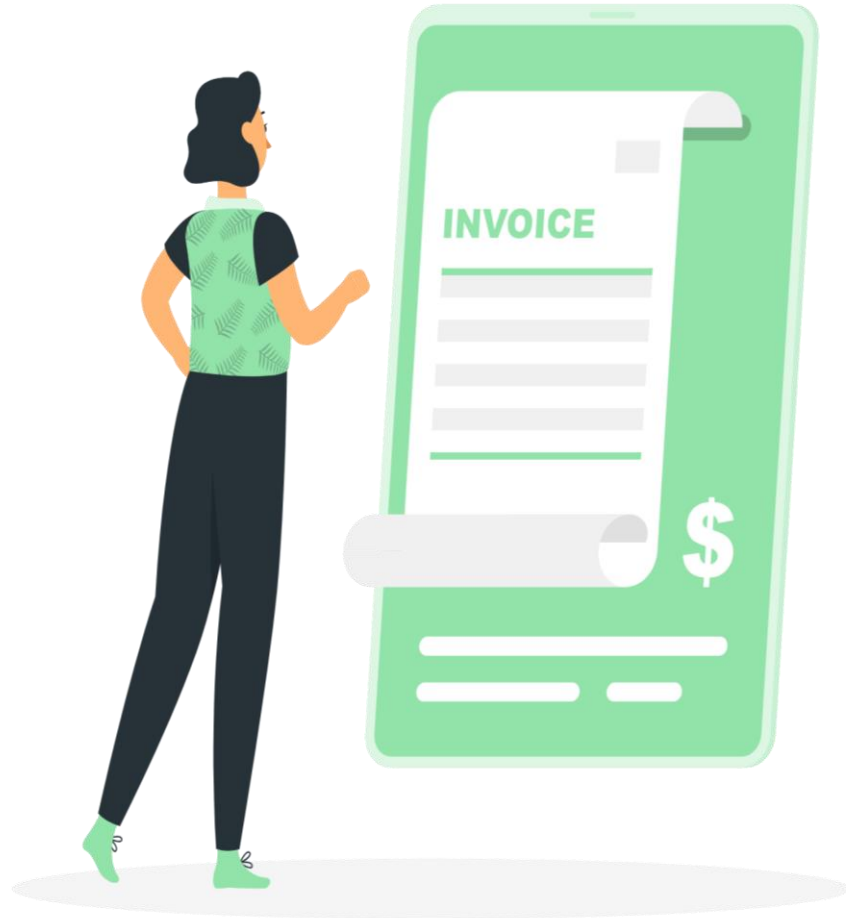
M2K Advisors



**SINGAPORE KNOWLEDGE SERIES #24 - BASIC INVOICING RULES**

# Tax Invoice (1/2)

Tax invoices must be issued by GST-registered businesses to their GST-registered customers so that the customers can use them as supporting documents to claim input tax on standard-rated purchases. A tax invoice has to be **issued within 30 days from the time of supply**.



A tax invoice **need not be issued** for the making of zero-rated supplies, exempt supplies, deemed supplies or to non-GST registered customers.

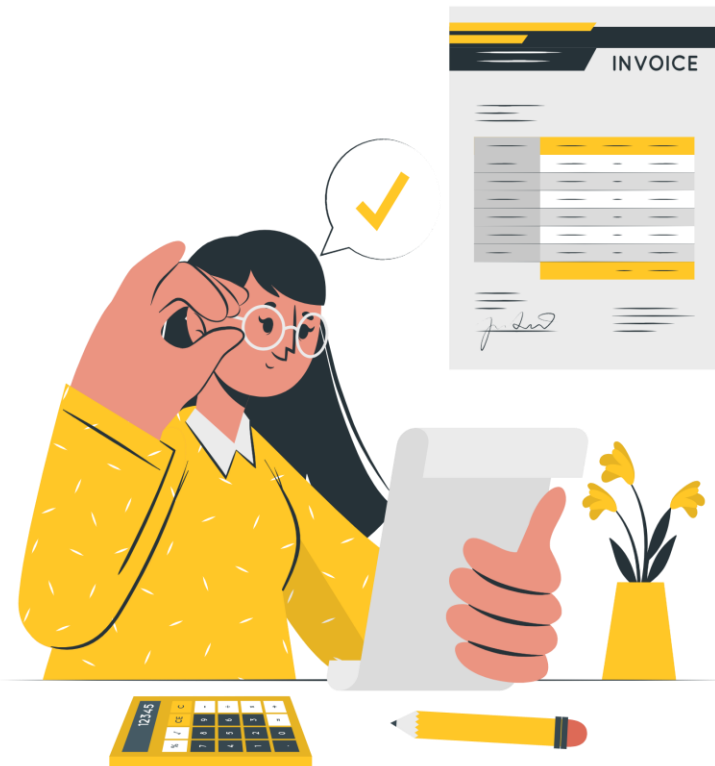
However, if the taxpayer chooses to issue a tax invoice for zero-rated supplies, all the information that is required on a tax invoice and that GST is charged at 0% **must be indicated**.

It is **not acceptable to omit** the required particulars (e.g., indicating “Cash” in place of your customer’s name and address) if a tax invoice is being issued for a total amount (inclusive of GST) **exceeding \$1,000**.

Taxpayers should issue **only one original tax invoice** for each sale transaction. If the customer loses the original invoice or simplified tax invoice, a duplicate copy marked “**Copy**” or “**Duplicate**” can be issued.

# Tax Invoice (2/2)

The tax invoice issued shall include the following particulars:



- The words “tax invoice” in a prominent place;
- An identifying number (e.g., invoice number);
- Date of issue of the invoice;
- Business name, address and GST registration number;
- Any cash discount offered;
- Customer’s name and address;
- A description sufficient to identify the goods or services supplied and the type of supply;
- The quantity of goods / the extent of services, & the amount payable, excluding GST
- Total amount payable (including the total amount of GST chargeable);
- Total amount payable (excluding GST), the GST rate and the total amount of GST chargeable (shown as a separate amount)
- A breakdown of exempt, zero-rated or other supplies, stating separately the gross total amount payable

# Simplified Tax Invoice

If the total amount (inclusive of GST) stated in the invoice **does not exceed \$1,000**, a simplified tax invoice can be issued. As compared to a tax invoice, less information is required to be shown on a simplified tax invoice, e.g., customer's name is not required.

(A)

TAXPAYER'S NAME,  
ADDRESS & GST  
REGISTRATION NUMBER

(B)

AN IDENTIFYING  
NUMBER, E.G.,  
INVOICE NUMBER

(C)

THE DATE OF ISSUE  
OF THE INVOICE

(D)

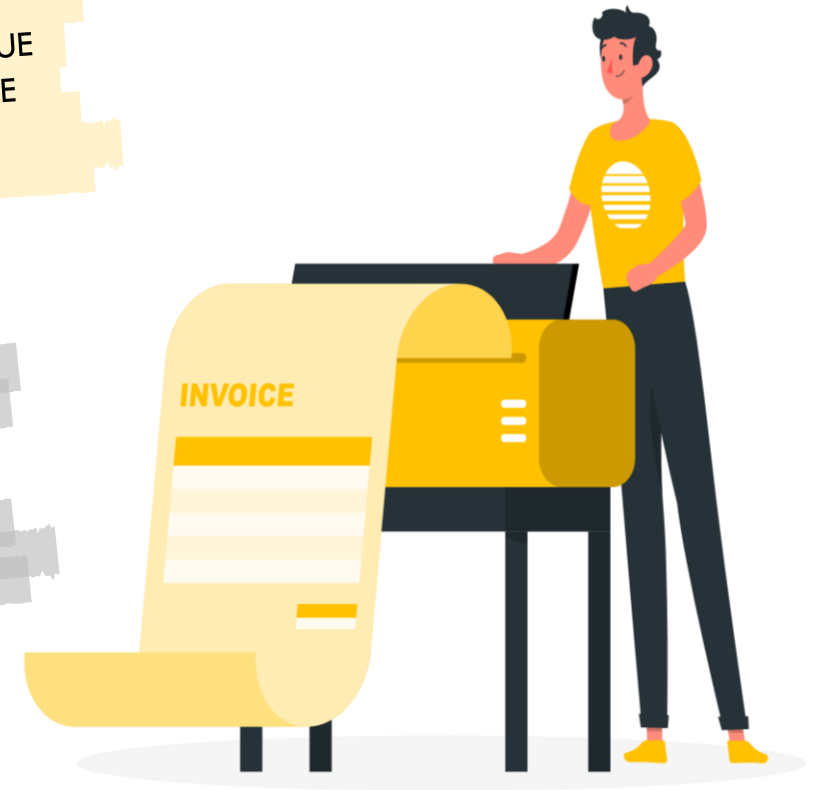
THE WORD  
"PRICE PAYABLE  
INCLUDES GST"

(E)

THE TOTAL  
AMOUNT PAYABLE  
INCLUDING TAX

(F)

DESCRIPTION OF THE  
GOODS OR SERVICES  
SUPPLIED



# Invoicing in a Foreign Currency



For a local sale denominated in a foreign currency, the following items on the tax invoice must be **converted into Singapore dollars using approved exchange rate \*** for GST purposes:

- (a) Total amount payable excluding GST
- (b) Total GST payable and
- (c) Total amount payable including GST.

GST-registered customer (subject to the fulfilment of the input tax claiming conditions) can **only claim input tax based on the amounts stated in the tax invoice** issued by the supplier.

\*The approved exchange rates are exchange rates published by local banks or locally circulated newspaper. This exchange rate must be updated at least once every three months and be used consistently for internal business reporting, accounting and GST purposes. The source must also be used consistently for at least one year from the end of the accounting period in which the method was first used.



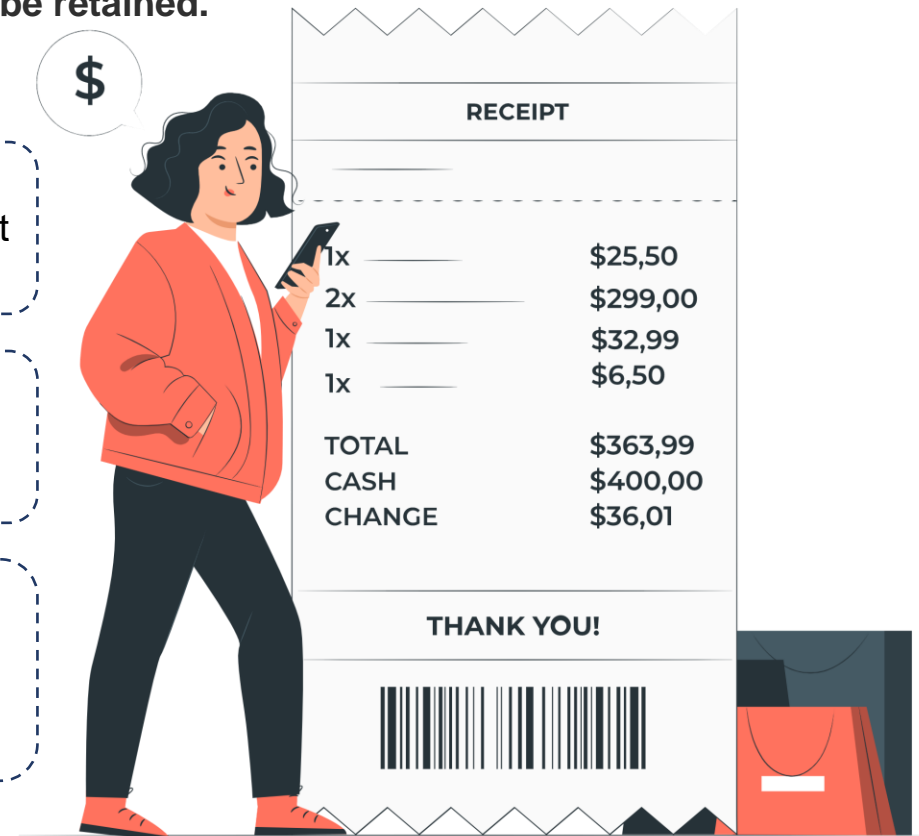
# Receipt

Taxpayers may (if sought by the customer) choose to **issue a receipt** instead of a tax invoice to **non-GST registered customer** (e.g., an end consumer) for the payments received. A duplicate of the receipt issued **must be retained**.

A receipt must be **serially printed and must show the following**: (a) Taxpayer's name and GST registration number (b) date of receipt (c) total amount payable including total GST and (d) the words "Price payable includes GST".

Businesses are **not required to seek approval** from IRAS for not issuing receipts. Taxpayers must however ensure complete and accurate recording of income transactions even if receipts are not issued.

There must be a **well-documented audit trail** to show that all income transactions are correctly recorded and declared for tax purposes. Practices such as using a **cash register or accounting software** should be maintained to help ensure the proper recording of all income transactions.



GST-registered businesses must continue to issue tax invoices for purchases that **exceeds \$1000** as required under the GST legislation, as **the waiver of issuance of receipts is not the same as the waiver of issuance of tax invoices**.

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