

# Adopting Good Tax Governance

## TAX GOVERNANCE FRAMEWORK (“TGF”)

### What is it?

A voluntary compliance initiative that companies may participate in to show that it has good tax governance and tax risk management.

#### It aims to:



**Encourage Businesses**  
to attain and maintain good standard of corporate governance



**Bringing the attention of tax governance**  
to the Board level



**Decrease compliance costs**  
through a collaborative relationship with IRAS



### Participation

Any company can apply for TGF. Companies applying to TGF status are required to publish their Board-endorsed tax governance in their corporate website or in their annual report, both of which must be publicly accessible and to submit a declaration to the IRAS.

## Tax Risks Covered

### 3 Building Blocks:



Compliance with tax laws that focus on corporate tax, withholding tax and GST



Governance structure for managing tax risks



Relationship with tax authorities



### Benefits

Companies which have adopted TGF will be granted with an extended grace period of two years, for the voluntary disclosure of corporate tax, withholding tax and GST errors made within two years of the approval date of the TGF application.

For GST registered business that are accorded with the Assisted Compliance Assurance Programme status, the grace period in respect of GST errors is 3 years.

### How can we help?

Our team of experienced and accredited tax advisors and practitioners can work with you to design your TGF or review your current TGF for enhancements and guide your company through the TGF application process.



## Assisted Compliance Assurance Programme (“ACAP”)

### What is it?



A compliance initiative that encourages businesses to set up a robust GST control framework.



Focuses on review of GST structure and visible tax functions set up by GST-registered businesses to manage proper accounting of GST on transactions.



Businesses that are ACAP-certified would have a more sustainable compliance framework to ensure correct GST reporting on an on-going basis.



### Participation

There are conditions that GST-registered businesses need to satisfy before they can apply for ACAP.

Some of the conditions are:



The Company has acceptable GST control framework.



Auditor's opinion of latest financial statement is unqualified.



The Company is registered for GST for at least 3 years.



It is currently not under GST audit and committed to engage qualified ACAP reviewer.

### Benefits

Successful ACAP applicant will enjoy benefits such as:

- **Full waiver of penalties** for nonfraudulent GST errors voluntarily disclosed in the course of the ACAP review for entities which apply to participate in ACAP by 31 March 2024.

*This is as opposed to penalties up to 200% of tax owed for errors discovered in an IRAS audit.*

- Step down of compliance audit activities by the IRAS on the applicant.
- Automatic renewal of GST schemes (if applicable) and expeditious GST refunds.



### How can we help?

Our associate firm, Moore Stephens LLP, is one of the few qualified ACAP reviewers in Singapore that have obtained the IRAS' approval to assist businesses endorse the effectiveness of their GST controls and compliance with reporting requirements.

You will have access to an experienced team of accredited GST advisors and practitioners who have assisted many organisations to attain “ACAP Premium” status, which is the highest ACAP accreditation.

To find out more about any of the above initiatives, please reach out to us:-

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