



SINGAPORE CUSTOMS MEDIA RELEASE

MAN FINED \$1.4 MILLION FOR FRAUDULENT EVASION OF DUTY & GST ON IMPORT OF JAPANESE CARS

On 16 April 2009, Toh Chee Wee, a 36-year-old Singaporean was sentenced by the Court to fines totalling \$1.416 million or in default, 100 weeks' imprisonment, for fraudulent evasion of duty and Goods and Services Tax (GST) amounting to \$145,181.38. Toh had been charged in court in January 2009 for 170 counts of fraudulent evasion of duty and GST. Toh had pleaded guilty to 58 charges and the remaining 112 charges were taken into consideration.

2 Singapore Customs had conducted an investigation into the business activities of Yi Sheng Trading, a sole proprietorship owned by Toh. After a protracted investigation, Customs officers found that the values of 234 cars declared in 85 duty and GST payment permits during the five-month period between April and August 2007 were under-declared.

3 As a result of the under-declaration, Toh had paid a lower duty amount of \$807,789.69 and a lower GST amount of \$263,463.74 when the rightful amounts to be paid should be \$989,587.03 and \$323,026.53 respectively. Toh was arrested on 7 January 2009 and charged in Court for the offences. Besides paying the court fine or serving the default jail sentence for the offences committed, Toh is also required to make good the earlier short payments of \$181,797.34 and \$59,562.79 in duty and GST respectively.

4 In an earlier case in June 2008, a man was convicted of the same offence and sentenced by the Court to fines totalling \$95,000 for the offence of fraudulent evasion of duty and GST of \$6,776.53 and \$2,846.14 respectively on one unit of brand new Porsche Cayman motor car and furnishing to Customs officer information which he knew to be false. Since November 2008, Singapore Customs had charged 12 persons in court for the offence of fraudulent evasion of duty and GST. The cases are ongoing.

5 In addition to conducting post-import audit checks, Singapore Customs has stepped up its efforts in verifying the values declared by car importers for assessment of duty and GST. Car importers are strongly advised to submit the actual transaction values of the vehicles to be imported. Customs will not hesitate to prosecute offenders who under-declare such values and push for deterrent sentences.

6 Under the Customs Act, it is the responsibility of the importers to ensure the accuracy and completeness of the values and other related costs declared to Singapore Customs. Under-declaration of the value is a serious offence as it will result in short payment of duty, GST and Additional Registration Fee (ARF). All cases of revenue evasion and violations of customs regulations are investigated, and action will be taken against the errant importers or any persons concerned in abetting the fraudulent evasion of duty and GST. Any person who is guilty of fraudulent evasion of duties or GST will be liable on conviction to a fine of up to 20 times the amount of duties and GST evaded or, in default, a jail sentence. In addition to the penalties meted out by the court, the offenders are also required to make good the duty and GST short-paid to the government.

ISSUED BY: SINGAPORE CUSTOMS (新加坡关税局) (KASTAM SINGAPURA)

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