



INLAND REVENUE  
AUTHORITY  
OF SINGAPORE

## JOINT MEDIA RELEASE

# SINGAPORE CUSTOMS AND INLAND REVENUE AUTHORITY OF SINGAPORE

## PAYING FOR THEIR OWN FOLLY

Three men arrested for cheating on the Tourist Refund Scheme

Two male Indian nationals – Pakkiri Mohamed Abdul Karim, 43, and Perumal Sugumaran, 42 – and a Singaporean man, 74, were arrested for cheating on the Tourist Refund Scheme by conspiring to retain 11 pieces of “Goods and Services Tax (GST) refunded” jewellery in Singapore. Pakkiri and Perumal were each sentenced to a Court fine of \$3,000 or, in default, three weeks’ imprisonment. Investigations are still ongoing for the Singaporean offender. The jewellery involved was worth more than S\$18,000, with GST exceeding \$1,000.

2 On 6 June 2011, Pakkiri approached Customs Officers at the GST Refund counter at the transit area of Singapore Changi Airport Terminal 2, holding a pouch containing 11 pieces of jewellery and their purchase receipts. He was scheduled to depart for India later that day. After collecting the GST refund for the jewellery, Pakkiri proceeded to the transit area and handed over the pouch to a Singaporean man, who was later found to be holder of an airport access pass. Pakkiri then left for the boarding area, after tearing and disposing the receipts.

3 The Singaporean man placed the pouch inside his pocket and left the transit area. He then proceeded to the Departure Hall, where he was joined by Perumal. Sensing that something was amiss, Immigration & Checkpoints Authority officers moved in to check on them, and found the pouch of jewellery on Perumal. He was arrested immediately. The Singaporean man and Pakkiri were also apprehended. Investigations by Singapore Customs revealed that Pakkiri had planned to leave the jewellery with Perumal, and to collect it back on the following Friday upon his planned return to Singapore. Aware that he was not allowed to bring goods into Singapore after the GST claims for such goods had been made, he sought help from the Singaporean man to hand over the jewellery to Perumal.

4 The Tourist Refund Scheme is for tourists to claim a refund of the GST paid on the goods that are brought out of Singapore. Tourists must personally hand-carry the purchased items for inspection, get the refund claim form endorsed by Singapore Customs officers and then bring the goods out of Singapore. Other persons receiving or in possession of such goods after the refund claim form has been endorsed by Singapore Customs would be committing an offence under the GST Act.

5 The Inland Revenue Authority of Singapore and Singapore Customs take a serious view of foreigners who make false declarations to Singapore Customs officers and abuse the Tourist Refund Scheme. Strong enforcement measures, including prosecution, will be taken against such offenders. When convicted, offenders can be fined up to \$5,000 or, in default, jailed up to six months for the offence.

6 The Inland Revenue Authority of Singapore and Singapore Customs advise all foreigners and retailers operating the Tourist Refund Scheme to abide by the rules of the scheme. Information on the scheme can be found in the e-Tax guides, 'Guide to Visitors on Tourist Refund Scheme' and 'Guide to Retailers operating Tourist Refund Scheme', on the Inland Revenue Authority of Singapore website ([www.iras.gov.sg](http://www.iras.gov.sg)), or the Singapore Customs website ([www.customs.gov.sg](http://www.customs.gov.sg)) under 'Information for Travellers'.

7 Members of the public are encouraged to stay vigilant and to report any information on evasion of customs duty or GST to the Singapore Customs Hotline at 1800-2330000 or email to [customs\\_intelligence@customs.gov.sg](mailto:customs_intelligence@customs.gov.sg).

**ISSUED BY: SINGAPORE CUSTOMS**                      新加坡关税局

**KASTAM SINGAPURA**                                      சிங்கப்பூர் சுங்கத்துறை

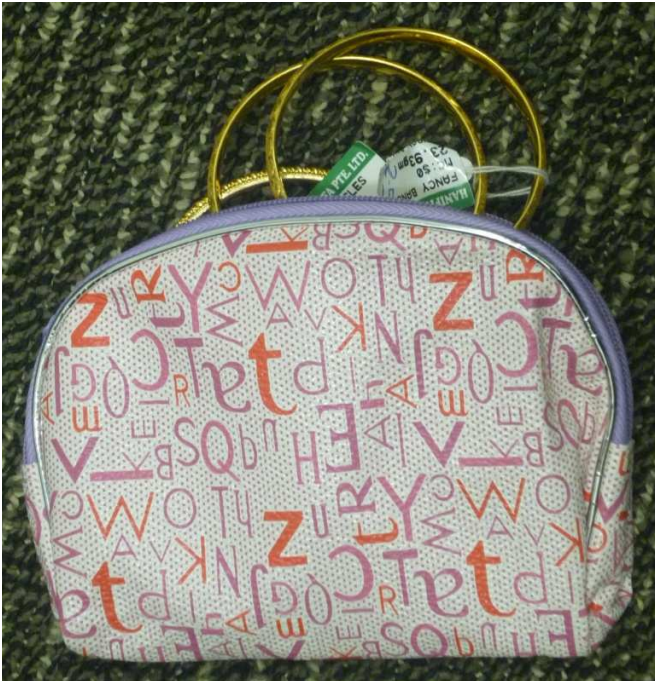
**AND**

**INLAND REVENUE AUTHORITY OF SINGAPORE**                      国内税务局

**JABATAN HASIL MAHSUL**

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## Appendix



Pouch containing the 11 pieces of jewellery. (photo courtesy of Immigration & Checkpoints Authority)



The jewellery found in the pouch. (photo courtesy of Immigration & Checkpoints Authority)