



# MOORE

Moore Stephens LLP

## GOODS & SERVICES TAX (GST)

# ASSISTED COMPLIANCE ASSURANCE PROGRAMME (ACAP)

## WHAT IS ACAP

**Assisted Compliance Assurance Programme ("ACAP") is a compliance initiative introduced by the Inland Revenue Authority of Singapore ("IRAS") to encourage businesses to set up a robust GST control framework.**

ACAP focuses on the review of the 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.

With the reduced risk of non-compliance with the GST laws and regulations, businesses can reap productivity gains – savings in both time and money.

## AN ALTERNATIVE TO IRAS GST AUDIT

The IRAS adopts a two-pronged approach to prevent GST revenue leakage – conduct tax audits and promote self-reviews by taxpayers, with emphasis on the latter in recent years.

While ACAP is a voluntary initiative, the IRAS has been sending out letters to invite businesses to participate in the programme, in place of a potential IRAS audit.

Certainly, most businesses would rather participate in the ACAP than have the IRAS auditors conducting a full-blown field audit.

## ELIGIBILITY TO PARTICIPATE IN ACAP

A business is eligible to participate in ACAP if the following conditions are met:

- Established to have acceptable GST control framework.
- Auditor's opinion of latest financial statement is unqualified.
- Registered for GST for at least 3 years.
- Currently not under GST audit and committed to engage qualified ACAP reviewer

## BENEFITS OF ACAP

To signal support for businesses that have implemented effective GST control framework and sought independent verification that the controls are functioning well, a successful ACAP applicant will enjoy the following benefits:

- **Full waiver of penalties** for non-fraudulent GST errors voluntarily disclosed in the course of the ACAP review.  
*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.

## TIMELINE

Applicant will have 15 months to complete the ACAP project (from the date of IRAS' acceptance of the application to participate in ACAP).

## PENALTY WAIVER WILL CEASE ON 31 MARCH 2024

The waiver of penalties is definitely one of the most important and attractive aspects of ACAP.

Hence, we are actively encouraging our clients to apply to the IRAS to participate in this initiative, as the saying goes, limited slots are available.

## HOW CAN WE HELP?

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.

For more information please go to:  
<https://www.mooresingapore.com/services/taxation>

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