

Customs (Amendment) Bill

Bill No. 48/2007.

Read the first time on 12th November 2007.

A BILL

intituled

An Act to amend the Customs Act (Chapter 70 of the 2004 Revised Edition) and to make a consequential amendment to the Goods and Services Tax Act (Chapter 117A of the 2005 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Customs (Amendment) Act 2007 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 Amendment of section 3

2. Section 3(1) of the Customs Act is amended —

- (a) by inserting, immediately after the words “section 66(1)” in the definition of “bottling warehouse”, the words “or 83(4)”;
- 10 (b) by deleting the words “the Health Sciences Authority” in the definition of “deleterious substance” and substituting the words “such laboratory as the Director-General may specify”;
- (c) by deleting the definition of “Health Sciences Authority”;
- (d) by deleting the definition of “licensed factory warehouse”; and
- 15 (e) by inserting, immediately after the words “section 51(1)” in the definition of “licensed warehouse”, the words “or 83(4)”.

Amendment of section 13

3. Section 13 of the Customs Act is amended by deleting subsections (1) and (2) and substituting the following subsections:

- 20 “(1) The Minister may, by order published in the *Gazette*, exempt any class of goods or persons from —
 - (a) any provision of this Act; or
 - (b) the payment of the whole or any part of any customs duties, excise duties, taxes, fees or other charges which may be payable.
- 25 (2) The Minister may, in any particular case —
 - (a) exempt any person from —
 - (i) any provision of this Act; or
 - (ii) the payment of the whole or any part of any customs duties, excise duties, taxes, fees or other charges which
 - 30 may be payable by that person; or

- (b) direct the remission or refund of the whole or any part of any customs duties, excise duties, taxes, fees or other charges which may be payable or which may have been paid by any person.”.

5 **Amendment of section 17**

4. Section 17 of the Customs Act is amended by inserting, immediately after subsection (2), the following subsection:

10 “(2A) All amounts collected before the date of commencement of the Customs (Amendment) Act 2007 as, or purportedly as, the special tax chargeable under subsection (1) shall be deemed to be and always to have been validly collected, and no legal proceedings shall lie or be instituted or maintained in any court of law for or on account of or in respect of any such collection.”.

Repeal and re-enactment of section 29

15 5. Section 29 of the Customs Act is repealed and the following section substituted therefor:

“Customs rulings

20 29.—(1) The Director-General may, on an application made in accordance with the Schedule, make a ruling on any of the matters specified in the Schedule in accordance with the Schedule.

(2) The Schedule shall apply to and in connection with an application under subsection (1) and any ruling made by the Director-General under that subsection.

25 (3) The Minister may, by order published in the *Gazette*, amend, add to or revoke the whole or any part of the Schedule.”.

Amendment of section 34

6. Section 34(2) of the Customs Act is amended —

(a) by deleting paragraph (c) and substituting the following paragraph:

30 “(c) of intoxicating liquors or tobacco of such type and quantity as —

(i) the Minister may by order prescribe; or

(ii) the Director-General may, subject to any general or special directions of the Minister, determine, and which is in the possession or in the baggage of any person arriving in Singapore;”;

5 (b) by deleting the word “and” at the end of paragraph (d); and

(c) by deleting the full-stop at the end of paragraph (e) and substituting the word “; and”, and by inserting immediately thereafter the following paragraph:

10 “(f) of such dutiable goods as the Director-General may, subject to any general or special directions of the Minister, determine.”.

Repeal of section 50

7. Section 50 of the Customs Act is repealed.

Amendment of section 63

15 **8.** Section 63 of the Customs Act is amended —

(a) by inserting, immediately after the word “place” in subsection (1), the words “or places”;

(b) by deleting subsection (2) and substituting the following subsection:

20 “(2) Such licence shall, on payment of such fee as may be prescribed, be granted at the discretion of the Director-General for such period as may be prescribed and subject to —

(a) such conditions as may be prescribed; and

25 (b) such further conditions as the Director-General may direct to be endorsed on the licence in any particular case.”; and

(c) by deleting the word “Minister” in subsection (3) and substituting the word “Director-General”.

Amendment of section 66

30 **9.** Section 66 of the Customs Act is amended —

(a) by inserting, immediately after the word “warehouse” in subsection (1), the words “or warehouses”; and

(b) by inserting, immediately after subsection (2), the following subsection:

“(2A) A licence to bottle any intoxicating liquors imported or manufactured in Singapore, or to blend, compound or vary any such intoxicating liquors at a bottling warehouse specified therein shall be deemed to be a licence for warehousing such dutiable goods at the bottling warehouse as provided for in section 51(1).”.

New Part XI

10 **10.** The Customs Act is amended by inserting, immediately after section 82, the following Part:

“PART XI

COMPOSITE LICENCE

Grant of composite licence

15 **83.**—(1) Any person who intends to carry out 2 or more specified activities for which 2 or more licences under this Act or the Goods and Services Tax Act (Cap. 117A) are required may, on payment of such fees as may be prescribed, apply for a single composite licence authorising the person to carry out those specified activities.

20 (2) An application for a composite licence for specified activities shall be made to —

(a) the Director-General; or

25 (b) if any of the specified activities is an activity referred to in paragraph (b) of the definition of “specified activity” in subsection (9), the Director-General and the Comptroller.

(3) On receipt of an application under subsection (2), the Director-General, or the Director-General and the Comptroller, as the case may be, may grant a composite licence to the applicant.

30 (4) Every composite licence granted under subsection (3) shall specify the person to whom, the premises in respect of which, and the activities for which, the licence is granted.

(5) Every composite licence granted under subsection (3) shall be for such period and subject to such conditions as may be specified in the licence.

(6) The Director-General may suspend or withdraw the whole of any composite licence granted under subsection (3), or such part of any such composite licence relating to any of the activities referred to in paragraph (a) of the definition of “specified activity” in subsection (9).

(7) The Comptroller may suspend or withdraw the part of any composite licence granted under subsection (3) relating only to the activity referred to in paragraph (b) of the definition of “specified activity” in subsection (9).

(8) Where a composite licence has been granted under subsection (3) in respect of 2 or more specified activities specified in the licence —

- (a) the licensee shall not be required by this Act or the Goods and Services Tax Act (Cap. 117A) to take out a separate licence for each of those activities; and
- (b) the premises in respect of which the composite licence is granted shall be deemed to be licensed under the relevant provisions of this Act or the Goods and Services Tax Act, as the case may be.

(9) In this section —

“Comptroller” means the Comptroller of Goods and Services Tax and includes any person authorised by him to grant a composite licence;

“specified activity” means —

(a) in relation to any goods liable to duty —

- (i) warehousing dutiable goods for which a licence is required under section 51;
- (ii) manufacturing dutiable goods for which a licence is required under section 63;
- (iii) bottling intoxicating liquors imported or manufactured in Singapore, or blending, compounding or varying any such intoxicating

liquors, for which a licence is required under section 66; or

(iv) selling goods to tourists and to returning or departing residents of Singapore free of duty for which a licence is required under section 82; or

(b) in relation to any goods liable to goods and services tax on the import of goods into Singapore under the Goods and Services Tax Act (Cap. 117A), storing goods without payment of such tax for which a licence is required under regulations made pursuant to section 37(3)(c) of that Act.”.

Amendment of section 118

11. Section 118(1) of the Customs Act is amended by deleting the words “the Health Sciences Authority” and substituting the words “such laboratory as the Director-General may specify”.

Repeal and re-enactment of section 128 and new sections 128A to 128L

12. Section 128 of the Customs Act is repealed and the following sections substituted therefor:

“Offences in relation to making and signing untrue or incorrect or incomplete declarations, certificates and documents

128.—(1) Any person who —

(a) makes, orally or in writing, or signs any declaration, certificate or other document required by this Act, which is untrue or incorrect in any particular or which is incomplete by omitting any material particular therefrom;

(b) makes, orally or in writing, or signs any declaration or document, made for consideration of any officer of customs on any application presented to him, which is untrue or incorrect in any particular or which is incomplete by omitting any material particular therefrom; or

(c) being required by this Act to make a declaration of the value of dutiable goods imported into or manufactured in Singapore for the purpose of assessment of customs duty or

excise duty, makes such declaration which is untrue or incorrect in any particular or which is incomplete by omitting any material particular therefrom,

shall be guilty of an offence.

5 (2) When any such declaration, whether oral or written, or any such certificate or other document has been proved to be untrue or incorrect or incomplete in whole or in part, it shall be no defence to allege —

10 (a) that the declaration, certificate or other document was made or used inadvertently or without criminal or fraudulent intent, or that the person signing the same was not aware of, or did not understand the contents of, the document; or

15 (b) where the declaration was made or recorded in English by interpretation from any other language, that the declaration was misinterpreted or not fully interpreted by any interpreter provided by the declarant.

Offences in relation to falsifying documents

128A.—(1) Any person who —

20 (a) counterfeits or falsifies, or uses, when counterfeited or falsified —

(i) any document which is or may be required under this Act; or

(ii) any document used in the transaction of any business or matter relating to customs; or

25 (b) fraudulently alters any document, or counterfeits the seal, signature, initials or other mark of, or used by, any officer of customs for the verification of any such document or for the security of any goods or any other purpose in the conduct of business relating to customs,

30 shall be guilty of an offence.

(2) When any such document has been proved to be counterfeited or falsified in whole or in part, it shall be no defence to allege that the document was made or used inadvertently or without criminal or fraudulent intent.

Offences in relation to failure to make declarations

128B.—(1) Any person who, being required by this Act to do so —

(a) fails to make a declaration of dutiable goods which are imported into, exported from or transhipped in Singapore; or

5 (b) fails to make a declaration of the value of dutiable goods imported into or manufactured in Singapore for the purpose of the assessment of customs duty or excise duty,

shall be guilty of an offence.

10 (2) When a failure to make a declaration has been proved, it shall be no defence to allege that the failure was inadvertent or without criminal or fraudulent intent, or that it was not known that such a declaration is required to be made.

Offences in relation to failure to produce trade documents

15 **128C.** Any person who fails or refuses to produce to a proper officer of customs any document required to be produced under section 85 shall be guilty of an offence.

Offences in relation to fraudulent evasion

20 **128D.** Any person who is in any way concerned in any fraudulent evasion of, or attempt to fraudulently evade, any customs duty or excise duty shall be guilty of an offence.

Offences in relation to goods found in person's baggage or upon his person, etc.

25 **128E.** Any person who after he denies having, is found to have, any dutiable or prohibited goods in his baggage or upon his person or otherwise in his possession shall be guilty of an offence.

Offences in relation to importation of uncustomed or prohibited goods

128F. Any person who is in any way concerned in importing any uncustomed or prohibited goods shall be guilty of an offence.

Offences in relation to exportation of uncustomed or prohibited goods

128G. Any person who is in any way concerned in exporting any uncustomed or prohibited goods shall be guilty of an offence.

5 **Offences in relation to shipping, unshipping, loading, unloading, etc., of uncustomed or prohibited goods**

10 **128H.** Any person who ships, unships, loads, unloads, lands or delivers, or who assists or is concerned in the shipping, unshipping, loading, unloading, landing or delivery of, any uncustomed or prohibited goods, whether or not the goods are shipped, unshipped, loaded, unloaded, landed or delivered, shall be guilty of an offence.

Offences in relation to possession, storage, conveying and harbouring of goods

128I. Any person who —

- 15 (a) stores, keeps or has in his possession any —
- (i) dutiable or prohibited goods, except under customs control; or
 - (ii) uncustomed goods;
- 20 (b) is in any way concerned in conveying, removing, depositing or dealing with any dutiable, uncustomed or prohibited goods with intent to defraud the Government of any customs duty or excise duty thereon, or to evade any of the provisions of this Act; or
- 25 (c) knowingly harbours or conceals, or permits, suffers, causes, or procures to be harboured or concealed, any dutiable, uncustomed or prohibited goods,

shall be guilty of an offence.

Offences in relation to duty-free allowances

30 **128J.** Any person who sells, exchanges or gives away, or offers to sell, exchange or give away, to any person in Singapore goods which are his duty-free allowances in Singapore shall be guilty of an offence.

Offences in relation to illegal removal of goods from customs control, etc., and carrying on of certain activities without licence

128K. Any person who —

- 5 (a) illegally removes or withdraws, or in any way assists or is concerned in the illegal removal or withdrawal of, any goods from any customs control;
- (b) is in any way concerned in the manufacture of any dutiable or prohibited goods —
- 10 (i) in contravention of section 63; or
- (ii) without a licence granted under section 83 for manufacturing dutiable goods; or
- (c) is in any way concerned in bottling, blending, compounding or varying any intoxicating liquors —
- 15 (i) in contravention of section 66; or
- (ii) without a licence granted under section 83 for bottling intoxicating liquors imported or manufactured in Singapore, or blending, compounding or varying any intoxicating liquors,

shall be guilty of an offence.

20 **Penalty for various offences**

128L.—(1) Any person who is guilty of an offence under section 128(1), 128A(1), 128B(1) or 128C shall be liable on conviction to a fine not exceeding \$10,000, or the equivalent of the amount of the customs duty, excise duty or tax payable, whichever is the greater amount, or to imprisonment for a term not exceeding 12 months, or to both.

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(2) Subject to subsection (3), any person who is guilty of a specified offence shall be liable on conviction to a fine of —

- 30 (a) not less than 10 times the amount of the customs duty, excise duty or tax the payment of which would have been evaded by the commission of the offence or \$5,000, whichever is the lesser amount; and

(b) not more than 20 times the amount of the customs duty, excise duty or tax the payment of which would have been so evaded or \$5,000, whichever is the greater amount,

5 except that where the amount of customs duty or excise duty cannot be ascertained, the penalty may amount to a fine not exceeding \$5,000.

(3) Any person who is convicted of any specified offence and who has been convicted on a previous occasion of —

(a) that or any other specified offence; or

10 (b) any offence under the repealed section 130(1) in force immediately before the date of commencement of the Customs (Amendment) Act 2007,

shall be liable on conviction to a fine referred to in subsection (2), or to imprisonment for a term not exceeding 2 years, or to both.

15 (4) Any person who is guilty of any specified offence involving goods consisting wholly or partly of relevant tobacco products shall, if such tobacco products exceed 2 kilogrammes in weight, be liable on conviction —

(a) to a fine of —

20 (i) not less than 15 times the amount of the customs duty, excise duty or tax the payment of which would have been evaded by the commission of the offence; and

(ii) not more than 20 times the amount of the customs duty, excise duty or tax the payment of which would have
25 been so evaded or \$10,000, whichever is the greater amount; or

(b) to imprisonment for a term not exceeding 3 years,

or to both.

30 (5) Any person who is convicted of any specified offence involving goods consisting wholly or partly of relevant tobacco products and who has been convicted on a previous occasion of —

(a) that or any other specified offence involving such goods; or

(b) any offence under the repealed section 130(1) in force immediately before the date of commencement of the Customs (Amendment) Act 2007 involving such goods, shall be liable on conviction —

5 (i) to a fine of —

(A) not less than 30 times the amount of the customs duty, excise duty or tax the payment of which would have been evaded by the commission of the first-mentioned specified offence; and

10 (B) not more than 40 times the amount of the customs duty, excise duty or tax the payment of which would have been so evaded or \$20,000, whichever is the greater amount; or

(ii) to imprisonment for a term not exceeding 6 years, or to both.

(6) In any prosecution against a person for committing, attempting or abetting an offence under sections 128D to 128K, any dutiable, uncustomed or prohibited goods shall be deemed to be dutiable, uncustomed or prohibited goods to the knowledge of the person, unless the contrary is proved by the person.

20 (7) In this section —

“relevant tobacco products” means any cigarette, cigar, cheroot or cigarillo or any other form of tobacco including —

(a) any mixture containing tobacco; and

25 (b) any tobacco substitute which is capable of being smoked;

“specified offence” means an offence under section 128D, 128E, 128F, 128G, 128H, 128I, 128J or 128K.”.

Repeal of section 130

13. Section 130 of the Customs Act is repealed.

30 New Schedule

14. The Customs Act is amended by inserting, immediately after section 144, the following Schedule:

“THE SCHEDULE

Section 29

CUSTOMS RULINGS

Application for customs ruling

5 1.—(1) Subject to sub-paragraph (3), any person concerned in the importation of any goods may apply to the Director-General for a ruling on one or more of the following matters:

- (a) the classification of the goods;
- (b) the country of origin of the goods; and
- 10 (c) how the goods are to be treated for the purposes of determining the customs duty, excise duty, or both, payable on the goods.

(2) Subject to sub-paragraph (3), any person concerned in the local manufacture of any goods may apply to the Director-General for a ruling on one or more of the following matters:

- 15 (a) the classification of the goods; and
- (b) how the goods are to be treated for the purposes of determining the excise duty payable on the goods.

(3) Where any goods are the subject of any Free Trade Agreement to which Singapore is a party, and that Free Trade Agreement identifies the person who may apply for a ruling in relation to those goods, only that person may apply under sub-paragraph (1) or (2) for a ruling in relation to those goods.

- (4) An application for a ruling shall —
 - (a) be made in such form as the Director-General may determine;
 - (b) comply with the disclosure requirements of paragraph 4; and
 - 25 (c) be made at such time as the Director-General may determine.

Director-General may decline to make ruling

- 2.—(1) The Director-General may decline to make a ruling if —
 - (a) the application for the ruling would require the Director-General to determine any question of fact;
 - 30 (b) the Director-General considers that the correctness of the ruling would depend on the making of assumptions, whether in respect of a future event or any other matter;
 - (c) the application is frivolous or vexatious;

(d) the matter on which the ruling is sought involves the interpretation of any foreign law; or

(e) after the Director-General has requested further information —

5 (i) the applicant fails to provide the information within the time specified by the Director-General for the provision of the information; or

(ii) in the Director-General's opinion, the applicant has not provided sufficient information in relation to the application.

10 (2) The Director-General shall, where he has declined to make a ruling, notify the applicant in writing of his decision and the reasons therefor.

Duration of ruling

3. A ruling shall apply in relation to a matter only for such period as may be stated in the ruling.

Information to be provided to Director-General

15 4.—(1) An application for a ruling shall —

(a) identify the applicant; and

(b) disclose all relevant facts and documents relating to the matter in respect of which the ruling is sought.

20 (2) The Director-General may, at any time, request further relevant information from an applicant for the purpose of making a ruling.

(3) An applicant for a ruling shall provide the Director-General with the information referred to in sub-paragraph (2) within such time as the Director-General may determine.

Director-General may make assumptions

25 5. If the Director-General considers that the correctness of a ruling would depend on assumptions being made about any future event or other matter, the Director-General may make the assumptions that he considers to be most appropriate.

Making of ruling

30 6.—(1) A ruling made by the Director-General shall state —

(a) that it is a ruling made under section 29;

(b) the identity of the person or class of persons to whom, and the particulars of the matter to which, the ruling applies;

35 (c) any material assumptions about future events or other matters made by the Director-General; and

(d) the conditions (if any) applicable to the ruling.

(2) The Director-General shall notify the person to whom the ruling applies of the making of the ruling by sending him a copy of the ruling.

(3) Where there is any Free Trade Agreement applicable to the matter to which a ruling applies, and the Free Trade Agreement specifies the period within which the ruling shall be made, the Director-General shall make the ruling within that period.

(4) The Director-General may make a ruling notwithstanding that no application has been made under paragraph 1.

Modification or withdrawal of ruling

7.—(1) The Director-General may, at any time, modify or withdraw a ruling by notifying the person to whom the ruling applies in such manner as the Director-General may determine of the modification or withdrawal and the reasons therefor.

(2) Subject to sub-paragraphs (3) and (4), a ruling is modified or withdrawn from the date specified in the notice of modification or withdrawal, as the case may be.

(3) The Director-General may, on the application of a person to whom a ruling applies, postpone the date the ruling is modified or withdrawn to such later date as the Director-General may determine, if that person shows that —

- (a) he had relied in good faith on the ruling; and
- (b) the modification or withdrawal, as the case may be, of the ruling would be detrimental to him.

(4) The Director-General may postpone the date the ruling is modified or withdrawn to such later date as he may determine notwithstanding that no application has been made under sub-paragraph (3).

(5) If the Director-General withdraws a ruling, the ruling shall not apply in relation to any goods, the subject-matter of the ruling, which are imported or manufactured locally, on or after the date of the withdrawal.

(6) If —

- (a) the Director-General withdraws a ruling made pursuant to an application by a person under paragraph 1; and
- (b) the person to whom the ruling applies has not acted in accordance with any condition applicable to the ruling,

the ruling shall cease to apply to that person in relation to any goods, the subject-matter of the ruling, which are imported or manufactured locally, before the date of the withdrawal.

(7) If the Director-General modifies a ruling, the modified ruling shall apply in relation to any goods, the subject-matter of the modified ruling, which are imported or manufactured locally, on or after the date of the modification.

(8) If —

(a) the Director-General modifies a ruling made pursuant to an application by a person under paragraph 1; and

5 (b) the person to whom the original ruling applies has not acted in accordance with any condition applicable to the original ruling,

the modified ruling shall apply to that person in relation to any goods, the subject-matter of the modified ruling, which are imported or manufactured locally, before the date of the modification.

(9) The Director-General may modify or withdraw a ruling if —

10 (a) the ruling is based on an error of fact;

(b) there is a change in the circumstances after the ruling was made;

(c) any information provided by the applicant in support of his application for the ruling is false, inaccurate or misleading;

15 (d) there is a change in the basis of the classification of the goods after the ruling was made;

(e) there is a change in the circumstances relating to the sale and import or local manufacture of goods after the ruling was made;

(f) an offence is suspected to have been committed in relation to the goods; or

20 (g) it is one of the grounds of modification or withdrawal provided under any Free Trade Agreement applicable to the matter to which the ruling applies.

Typographical or minor error in ruling

25 8. The Director-General does not have to withdraw and re-issue a ruling to correct any typographical or minor error, if the correction does not change the meaning of the ruling.

Amendment of Act

30 9. A ruling does not apply from the date a provision of this Act is repealed or amended to the extent that the repeal or amendment changes the way the provision applies in the ruling.”.

Miscellaneous amendments

15. The Customs Act is amended —

(a) by deleting the words “licensed factory warehouse or” in the following provisions:

35 Sections 3(2), 59(2) and 143(1)(k);

(b) by deleting the words “, licensed factory warehouse” wherever they appear in the following provisions:

Sections 21(a)(i), 27(1)(b), 52(1)(b), (2) and (3)(a), 54, 90(2)(a) and 143(1)(n);

5 (c) by deleting the words “sections 50, 51, 52 and 60” in section 59(1) and substituting the words “section 51, 52, 60 or 83”;

(d) by deleting the words “sections 50(1) and” in section 63(4)(a) and substituting the word “section”;

10 (e) by inserting, immediately after the words “section 63(1),” in section 64(1), the words “or under section 83(3) for manufacturing dutiable goods,”;

(f) by inserting, immediately after the words “section 66(1),” in section 67(1), the words “or under section 83(3) for bottling intoxicating liquors imported or manufactured in Singapore, or
15 blending, compounding or varying any intoxicating liquors,”;

(g) by inserting, immediately after the words “section 63(1)” in section 78(a), the words “or under section 83(3) for manufacturing dutiable goods”;

20 (h) by inserting, immediately after the words “section 63(1)” in section 135(a), the words “, or section 83(3) for manufacturing dutiable goods,”;

(i) by inserting, immediately after the words “section 66(1)” in section 135(b), the words “, or section 83(3) for bottling
25 intoxicating liquors imported or manufactured in Singapore, or blending, compounding or varying any intoxicating liquors,”;
and

(j) by deleting the words “licensed factory warehouses and” in section 143(1)(l).

Consequential amendment to Goods and Services Tax Act

30 **16.** Section 37(6) of the Goods and Services Tax Act (Cap. 117A) is amended by deleting the words “warehouse or factory warehouse licensed under the Customs Act” in the definition of “warehouse” and substituting the words “warehouse licensed under the Customs Act for warehousing dutiable goods”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Customs Act (Cap. 70) for the following main purposes:

- (a) to re-classify the existing customs offences by the mode of commission of the offences;
- (b) to allow analyst certificates from such laboratory as the Director-General of Customs (the Director-General) may specify to be tendered as prima facie evidence for court proceedings;
- (c) to allow the Minister to exempt any person or goods from any provision of the Act;
- (d) to provide for the making of customs rulings;
- (e) to enable the Director-General to waive the permit requirement for removing dutiable goods;
- (f) to provide for the grant of a composite licence;
- (g) to abolish the licensed factory warehouse scheme;
- (h) to validate earlier collections of special diesel tax;
- (i) to remove the overlap between a licensed warehouse and a bottling warehouse; and
- (j) to empower the Director-General to approve licences for the manufacture of dutiable goods.

The Bill also seeks to make a consequential amendment to the Goods and Services Tax Act (Cap. 117A).

Clause 1 relates to the short title and commencement.

Clause 2 amends section 3(1) —

- (a) to substitute the reference to “the Health Sciences Authority” in the definition of “deleterious substance” with “such laboratory as the Director-General may specify” so as to allow analyst certificates issued by other laboratories to be tendered as prima facie evidence in court;
- (b) to delete the definition of “Health Sciences Authority” which is no longer required;
- (c) to delete the definition of “licensed factory warehouse” as the licensed factory warehouse scheme has been abolished; and
- (d) to include in the definitions of “bottling warehouse” and “licensed warehouse”, a warehouse for which a composite licence is obtained under the new section 83.

Clause 3 amends section 13 to empower the Minister to exempt any person, in any particular case, or any class of goods or persons, from any provision of the Act or the payment of the whole or any part of any customs duties, excise duties, taxes, fees or other charges which may be payable. The Minister may also, in any particular case, direct the remission or refund of the whole or any part of any such duties, taxes, fees or charges.

Clause 4 amends section 17 by inserting a new subsection (2A) to regularise all amounts collected or purported to have been collected in the past as special taxes on motor vehicles using heavy fuel oil, etc., under the section.

Clause 5 repeals and re-enacts section 29. The new section 29 provides for the making of customs rulings in accordance with the new Schedule (to be inserted by clause 14).

Clause 6 amends section 34(2) to empower the Director-General to waive the permit requirement for the removal of dutiable goods. However, the exercise of this power by the Director-General is subject to any general or special directions of the Minister.

Clause 7 repeals section 50 as there are no licensed factory warehouses now.

Clause 8 amends section 63 to empower the Director-General to issue a single licence in respect of multiple places of manufacture. The clause also empowers the Director-General to grant a licence under the section without first obtaining the approval of the Minister. The licence may also be suspended or withdrawn at any time by the Director-General.

Clause 9 amends section 66(1) to empower the Director-General to issue a single licence in respect of multiple bottling warehouses. If a licence has been granted to any person to bottle any intoxicating liquors imported into or manufactured in Singapore, or to blend, compound or vary any such intoxicating liquors at a bottling warehouse specified therein, such licence is to be deemed to be a licence to warehouse such dutiable goods at the bottling warehouse as provided for in section 51(1). There is therefore no requirement for the person to further apply for a licence under section 51(1).

Clause 10 inserts a new Part XI (new section 83) to empower the Director-General and the Comptroller of Goods and Services Tax (the Comptroller), where applicable, to grant a new composite licence to any person who intends to carry out 2 or more specified activities. The specified activities include warehousing, manufacturing and sale of dutiable goods. They also include storing goods without payment of the goods and services tax on the import of goods into Singapore under the Goods and Services Tax Act (Cap. 117A) as well as the bottling of intoxicating liquors imported into or manufactured in Singapore, or blending, compounding or varying any such intoxicating liquors. Where a composite licence is granted, the applicant does not have to apply for separate licences required under section 51, 63, 66 or 82 or under regulations made pursuant to section 37(3)(c) of the Goods and Services Tax Act.

The application for a composite licence may be made to the Director-General alone (if none of the specified activities which the person intends to carry out relates to the storing of goods without the payment of the goods and services tax on the import of goods into Singapore). However, if one of the activities which the applicant intends to carry out includes the storing of goods without the payment of goods and services tax on the import of goods into Singapore, then the application has to be made to both the Director-General and the Comptroller and the licence will then be granted by both.

The composite licence must specify the person to whom, the premises in respect of which, and the activities for which, the licence is granted. The composite licence is valid for such period and subject to such conditions as may be specified therein. The Director-General and the Comptroller are empowered to suspend or withdraw the licence.

Clause 11 amends section 118(1) to allow analyst certificates from such laboratory as the Director-General may specify to be tendered as prima facie evidence for court proceedings.

Clause 12 repeals and re-enacts section 128. The clause also inserts new sections 128A to 128L. The new provisions seek to re-classify the customs offences found in sections 128 and 130 in force immediately before the date of commencement of the Bill. The re-classification is based on the mode of commission of the offences. There are no substantive changes to these sections which are reproduced in new sections 128 to 128L.

Clause 13 repeals section 130 consequential to the new provisions inserted by clause 12.

Clause 14 inserts a new Schedule to give effect to the new section 29 relating to the making of customs rulings. The Schedule provides for the application for customs rulings. Certain persons may apply to the Director-General for a ruling on the classification, origin or the duty treatment of the goods. Even if no one makes an application for a ruling, the Director-General may nevertheless make a ruling on the classification, origin or the duty treatment of goods. The Director-General may, in certain circumstances, decline to make a ruling upon the application by a person. The ruling is only valid for such period as may be stated therein. An application for a ruling must identify the applicant and disclose all relevant facts and documents relating to the matter in respect of which a ruling is sought. The Director-General may at any time request for further relevant information. The Director-General may also make such assumptions that he considers appropriate if the correctness of a ruling would depend on assumptions being made about any future event or other matter. In making the ruling, the Director-General must state that the ruling is made under section 29, and identify the person or class of persons to whom, and the particulars of the matter to which, the ruling applies.

The Director-General may, in certain circumstances, modify or withdraw a ruling. If the Director-General withdraws a ruling, the ruling must not apply in relation to any goods, the subject-matter of the ruling, which are imported or manufactured locally, on or after the date of the withdrawal. However, if the Director-General withdraws a ruling made pursuant to an application by a person under paragraph 1, and the person to

whom the ruling applies has not acted in accordance with any condition applicable to the ruling, the ruling will cease to apply to that person in relation to any goods, the subject-matter of the ruling, which are imported or manufactured locally, before the date of the withdrawal. If the Director-General modifies a ruling, the modified ruling must apply in relation to any goods, the subject-matter of the modified ruling, which are imported or manufactured locally, on or after the date of the modification. However, if the Director-General modifies a ruling made pursuant to an application by a person under paragraph 1, and the person to whom the original ruling applies has not acted in accordance with any condition applicable to the original ruling, the modified ruling will apply to that person in relation to any goods, the subject-matter of the modified ruling, which are imported or manufactured locally, before the date of the modification.

Clause 15 makes certain miscellaneous amendments arising from the repeal of section 50 and the introduction of the composite licence under the new section 83.

Clause 16 makes a consequential amendment to section 37(6) of the Goods and Services Tax Act (Cap. 117A).

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
