



## Indirect Tax Alert

### Penalty and Surcharge Remission Program by the RMCD

Dear valued client,

As shared in our previous Alert, a number of our clients were contacted by the RMCD offering penalty waivers on outstanding Bills of Demand (“BOD”). At the time, it was informal as nothing had been publicly announced. The RMCD has now just released an official announcement to formalise the program. The announcement was released only in the national language [here](#).

**Please note this is a separate scheme from the Special Voluntary Disclosure Program (“SVDP”) announced in the Budget 2023. We are still awaiting further details on the SVDP 2.0 which we anticipate to have a much wider scope.**

The salient details of the program are as below.

- Program duration: 1 February 2023 to 30 September 2023.
- Relevant taxes: Goods and Services tax, Sales tax and Service tax 2.0 (from September 2018 onwards), tourism tax, and the departure levy.

- Incentives offered:

Amounts owing to RMCD	Payment made to RMCD		Remission on the Penalty/Surcharge
	Tax	Penalty/Surcharge	
Tax, penalty, and surcharge	100%	0%	100%
Tax and penalty	100%	0%	100%
Tax and surcharge	100%	0%	100%
Penalty / Surcharge	0%	10%	90%

- Eligibility criteria:

- Full payment must be made within the program duration.
- The BOD issued must be for a taxable period dated on or before 31 December 2022.
- For businesses with registered court cases, you are required to write to the civil servant handling the case to be entitled to the incentives offered by the RMCD under this program, subject to conditions set.
- This offer is also made to businesses who have received approval to pay outstanding amounts in instalments.
- For court cases that have been decided and concluded, the business is not eligible for this remission offer if it relates to the same taxable periods decided by the court.

Businesses that intend to clear their outstanding BODs are encouraged to take advantage of this offer to enjoy the remission of the penalty and surcharge. However, please note that this offer is only made to taxpayers who currently have an outstanding BOD. Thus, the remission offer may not be considered by businesses that wish to make a voluntary disclosure in relation to any outstanding indirect taxes, but do not have an existing BOD. The taxpayers that fall outside of the scope would need to wait for the SVDP 2.0, which is slated to begin in June 2023.

## Contacts

If you would like to have further discussions on any of the above, please reach out to your usual Deloitte indirect tax contact or any of our leaders below:

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Alternatively, please reach out to anyone from the team [here](#).



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