

10 Sin Ming Drive Singapore 575701

14 February 2024

All Motor Dealers / Importers
All Electronic Service Agents
All Export Processing Zone Operators
All Scrapyard Operators

Our ref VRL/04/2024
LTA/VR&L/V43.054.000

Dear Sir / Madam

Goods and Services Tax (GST) Refund for LTA's Regulatory Fees

Please see the enclosed News Releases by the Ministry of Finance (MOF) and Land Transport Authority (LTA) on 14 February 2024 on the GST refund for regulatory fees in **Annex A**.

LTA will make the refund process as seamless as possible, i.e. for payments made on the affected fees since 1 January 2019, there is no need for eligible recipients to apply to LTA for the refunds. LTA will credit refunds to eligible recipients with bank accounts registered with LTA or valid PayNow (NRIC/UEN/FIN) accounts from 1 March to 30 June 2024. Upon successful crediting of the refunds, LTA will notify recipients.

If affected taxpayers do not receive LTA's notification by 30 June 2024, they can reach out to the LTA at <https://www.lta.gov.sg/feedback> from 1 July to 31 December 2024 to seek a refund.

To protect the public against scams, all LTA notifications will not bear any clickable links. LTA will also not reach out to the public via phone calls to request any personal information.

Please bring the contents of this circular to the attention of your members and staff accordingly. Thank you.

Yours faithfully



Candice Yeo (Ms)
Deputy Director
Vehicle Licensing Division
Vehicle Services Group

Annex A

MOF's Press Release

Goods and Services Tax (GST) For 18 Government Fees To Be Refunded

14 Feb 2024

All six agencies involved will begin refunds to taxpayers from March 2024

1. In November 2023, the Ministry of Finance (MOF) discovered inconsistencies in the application of Goods and Services Tax (GST) on certain Government fees during an internal review of the GST treatment on Government fees and charges. MOF concluded the review in January 2024 and found that 18 fees across six agencies were wrongly charged with GST.
2. In general, GST would be charged on services rendered by Government agencies, for example, fees for the use of public sports facilities or rental fees for hawker stalls and exhibition spaces. However, GST should not be charged on services which are regulatory in nature.
3. The 18 fees were initially deemed by agencies to be processing fees, but on review, were found to be regulatory in nature. For example, an agency had charged GST on the application fee for a licence, but had not charged GST on the licence itself. The correct treatment should be to not charge GST on both the application fee and the licence fee.
4. MOF and the six agencies apologise for the erroneous charging of GST. All agencies have taken immediate steps to cease the charging of GST on the affected fees from today.
5. The 18 fees apply to both individuals and businesses. They include GST-registered entities who would have claimed the GST paid out as input tax previously in the course of their business, and so would not be impacted. But individuals and non-GST registered entities are not able to claim input tax. The amount of wrongly charged GST for this group is estimated to be about \$1.5 mil per year. The vast majority of the transactions involve GST of \$5 or less per transaction. Please refer to [Annex A](#) for a list of the 18 fees.
6. The Government will refund these taxpayers the GST charged for the fees. We will make the refund process as seamless as possible. From March 2024, the agencies will reach out to the affected taxpayers and refund, with interest, the GST that had been paid based on available records. All GST-registered entities are required by law to keep records for up to 5 years. The agencies will therefore have a record of the taxpayers who transacted within the last five years (i.e. since 1 January 2019). Beyond the 5-year period, agencies will make proactive refunds where records are available. If affected taxpayers are not contacted by agencies by 30 June 2024, they can reach out to the agencies to seek a refund. Please refer to [Annex B](#) for the agencies' contact information.
7. The current approach is for government agencies to assess and decide whether or not to impose GST on their fees based on broad principles and guidelines set out by MOF. There are more than 5000 government fees and charges, and this approach can result in mistakes by agencies – be it to wrongly charge GST, or even to miss out on applying GST. To minimise the risk of such errors in the future, MOF will make legislative amendments to the GST Act to clarify the treatment of GST for such fees, and to prescribe a list of regulatory fees where GST should not be charged.
8. The Government is committed to upholding high standards of governance and integrity. We continually review our processes and systems, and tighten them where necessary. Where errors are discovered, we take immediate action to rectify them.

Issued by:
Ministry of Finance
Singapore
14 February 2024

Annex A: 18 Fees with GST Wrongly Charged

S/N	Agency	Fee	Description of fee	GST charged per transaction (\$)
1	Council for Estate Agencies	Application fee for Estate Agent (EA) licence	Application fee for the grant or renewal of EA licence	7
2	Council For Estate Agencies	Application fee for Real Estate Salesperson (RES) registration	Application fee for the grant or renewal of RES registration	3.50
3	Housing & Development Board	Administrative fees for renting out of HDB flat or bedroom	N.A.	~1
4	Housing & Development Board	Administrative fees for compulsory acquisition (CA) of flat	N.A.	15
5	Land Transport Authority	Class 2 Bus Service Licence Amendment Fee	Fee paid by bus operators with the Class 2 Bus Service Licences to apply to amend the operating schedules of their bus services	0.70
6	Land Transport Authority	Conversion Fee (from Private Hire Car Driver's Vocational Licence to Taxi Driver Vocational Licence)	N.A.	2.10
7	Land Transport Authority	Export Processing Zone Entry (EPZ) Fee	Fee payable upon entry of a deregistered vehicle into the EPZ for storage pending export.	2.50
8	Land Transport Authority	Application Fee (Autonomous Vehicle Authorisation)	Application fee to undertake a trial or use of automated vehicle technology or autonomous vehicle on public roads.	2.40
9	Land Transport Authority	Application Fee (Keep deregistered/ unregistered vehicles)	Fee payable to emplace a vehicle into the Keeping Scheme.	42.70

S/N	Agency	Fee	Description of fee	GST charged per transaction (\$)
10	Land Transport Authority	Application Fee (Change garage address of Keeping Scheme Vehicles)	Fee payable to change garage address of a vehicle under the Keeping Scheme.	12.20
11	Land Transport Authority	Application Fee (Special Purpose Licence)	Fee payable to apply for a special purpose licence to use a vehicle for research and development or special events on public roads.	20.10
12	Land Transport Authority	Application Fee (Change of Vehicle Particulars Requiring LTA's approval)	Fee payable to apply for LTA's approval to make major modifications to a registered vehicle (e.g. change of engine, change of transmission, conversion of bi-fuel (petrol-compressed natural gas) to petrol vehicle)	4.40
13	Land Transport Authority	Application and Extension Fees (Vehicle Accessory Approval)	Fee payable to apply for LTA's approval for aftermarket vehicle accessories (such as exhaust and lighting system) as a pre-approved vehicle accessories to be installed on specific vehicle make(s) and model(s).	15
14	Office of the Public Guardian, Ministry of Social and Family Development	Application fee for registration for Professional Deputies	Fee for an application to register as a professional deputy under the Professional Deputies Scheme	36
15	Office of the Public Guardian, Ministry of Social and Family Development	Lasting Power of Attorney (LPA) application fee	Application fee to register an LPA in Form 1 and in Form 2	9.70
16	Singapore Food Agency	Application fee for licence to operate a food processing establishment	This covers fees for three types of establishments: (a) food processing establishment (b) Coldstore (c) Slaughterhouse	13
17	Urban Redevelopment Authority	Processing fee for Development Application to obtain planning permission to carry out development works	N.A.	Variable, majority of GST amounts range from 10-1500
18	Urban Redevelopment Authority	Processing fee for lodgment of documents as authorisation to carry out development works	N.A.	Variable, amounts range from 10-84

Annex B: Contact Information of the 6 agencies

Agency	Contact Hotline	Contact Email
Council for Estate Agencies	1800-643-2555	Online enquiry via CEA's website (https://www.cea.gov.sg/aceas/feedback-management)
Housing & Development Board	1800-866-6812	Online enquiry via HDB InfoWEB: https://go.gov.sg/hdb-gst-refund
Land Transport Authority	6225 5582	https://www.lta.gov.sg/feedback
Singapore Food Agency	6805 2671	Via SFA's online feedback form at https://www.sfa.gov.sg/feedback or via Live Chat at https://go.gov.sg/sfachat
Office of the Public Guardian, Ministry of Social and Family Development	1800-226-6222	enquiry@publicguardian.gov.sg
Urban Redevelopment Authority	6307 8980	Online feedback and enquiry via URA website https://www.ura.gov.sg/feedbackWeb

LTA's Press Release



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GST Refunds for Nine Regulatory Fees

News Releases

14 Feb 2024

LTA fees

GST refund

As announced by the Ministry of Finance, the Land Transport Authority (LTA) will be refunding the Goods and Services Tax (GST) charged for nine fees that are regulatory in nature for payments made within the last five years since 1 January 2019. These fees, for which GST should not be charged, are no longer charged GST.

2. The GST refund process will be carried out progressively from 1 March to 30 June 2024. The amount of wrongly charged GST to be refunded is estimated to be about \$12,000 per year. The amount wrongly charged from 1 January 2019 to 13 February 2024 will automatically be refunded.
3. The nine fees include application fees for major modifications of existing vehicles, such as engine and transmission changes (manual to automatic and vice versa) or the conversion of bi-fuel (petrol-compressed natural gas) to petrol vehicle. Others include the application fee for an existing Private Hire Car Driver's Vocational Licence holder converting to a Taxi Driver Vocational Licence. Please refer to [Annex A](#) for details on the nine fees.
4. LTA will credit refunds, ranging from \$0.70 to \$42.70 per transaction, to eligible recipients with bank accounts registered with LTA or valid PayNow (NRIC/FIN/UEN) accounts. Upon successful crediting of the refunds, LTA will notify recipients through e-notification and SMS, or hardcopy letters. For recipients for whom LTA does not have bank account information, or where the information is not updated, LTA will notify recipients to update their bank account details via the OneMotoring website or to register their PayNow (NRIC/FIN/UEN) account at their bank and inform LTA.
5. To protect the public against scams, all LTA notifications will not bear any clickable links. LTA will also not reach out to the public via phone calls to request any personal information.
6. For public queries on LTA's GST refunds, please contact LTA at <https://www.lta.gov.sg/feedback> or call the LTA hotline at 6225-5582.

[Annex A: List of LTA fees and Recipients](#)

[Annex B: Frequently Asked Questions](#)

List of LTA Fees and Recipients

No.	LTA fees	Description of recipients	Average GST charged (\$) per transaction ¹	Refund process
1	<p>Class 2 Bus Service Licence Amendment Fee</p> <p>Under the Bus Services Industry (Bus Service Licence) Regulations 2016, bus operators issued with the Class 2 Bus Service Licences must make an application to LTA to amend the operating schedules of their bus services. A fee is paid to LTA to assess and issue the revised operating schedule upon approval of the application.</p>	Private and public bus operators	\$0.70	<ol style="list-style-type: none"> 1. Refund via bank account registered with LTA or PayNow-NRIC/UEN/FIN. <ul style="list-style-type: none"> • LTA will notify these parties (via SMS and e-notification on OneMotoring web portal or hardcopy letters) once refund is successful. 2. If refund is unsuccessful, LTA will notify the eligible recipients to: <ul style="list-style-type: none"> • Update their refund bank account details via Singpass login at LTA's OneMotoring web portal (www.onemotoring.lta.gov.sg > Digital Services > Update Owner Particulars by LTA/Asset Owner (Requires login)), or • Register for PayNow-NRIC/UEN/FIN and inform LTA

¹ This is an average figure as each transaction may have multiple applications and different GST applied – 7% from 2019 to 2022 and 8% in 2023.

				<ol style="list-style-type: none"> 3. Once refund bank account is updated/LTA is informed that PayNow NRIC/UEN/FIN has been registered, LTA will credit the refund and notify these parties (via SMS, e-notification on OneMotoring web portal or hardcopy letters).
2	<p>Conversion Fee (from Private Hire Car Driver's Vocational Licence to Taxi Driver Vocational Licence)</p> <p>A Private Hire Car Driver's Vocational Licence (PDVL) holder is only licensed to drive private hire cars while a Taxi Driver's Vocational Licence (TDVL) holder is licensed to drive both a taxi and a private hire car. In March 2022, LTA introduced the option for existing PDVL holders to convert their PDVL into a TDVL by paying an administrative fee for the conversion and fulfilling the conversion requirements.</p>	Individuals (Vocational Licence Holders)	\$2.10	<ol style="list-style-type: none"> 1. Refund via PayNow-NRIC. 2. LTA will notify these parties (via hardcopy letters or email) once refund is successful. 3. If refund is unsuccessful, LTA will notify the eligible recipients to register for PayNow- NRIC and inform LTA. 4. Once LTA is informed that PayNow NRIC/UEN/FIN has been registered, LTA will credit the refund and notify the recipients (via email or hardcopy letters).
3	<p>Export Processing Zone Entry (EPZ) Fee</p> <p>Fee payable upon entry of a deregistered vehicle into the EPZ for storage pending export.</p>	Businesses (EPZ Operators)	\$2.50	<ol style="list-style-type: none"> 1. Refund via bank account registered with LTA or PayNow-NRIC/UEN/FIN.
4	<p>Application Fee (Autonomous Vehicle Authorisation)</p> <p>Fee payable upon application to undertake trial or use of automated vehicle technology or autonomous vehicle on public roads.</p>	Businesses (Research and Development companies)	\$2.40	<p>LTA will notify these parties (via SMS and e-notification on OneMotoring web portal or</p>

5	Application Fee (Keep deregistered/unregistered vehicles) Fee payable to emplace a vehicle into the Keeping Scheme.	Individuals and businesses	\$42.70	<p>hardcopy letters) once refund is successful.</p> <p>2. If refund is unsuccessful, LTA will notify the eligible recipients to:</p> <ul style="list-style-type: none"> Update their bank account details via Singpass login at LTA's OneMotoring web portal (www.onemotoring.lta.gov.sg) > Digital Services > Update Owner Particulars by LTA/Asset Owner (Requires login). Register for PayNow-NRIC/UEN/FIN and inform LTA <p>3. Once bank account details are updated or LTA is informed that PayNow NRIC/UEN/FIN has been registered, LTA will credit the refund and notify the recipients (via SMS, e-notification on OneMotoring web portal or hardcopy letters).</p>
6	Application Fee (Change garage address of Keeping Scheme Vehicles) Fee payable to change garage address of a vehicle under the Keeping Scheme.		\$12.20	
7	Application Fee (Special Purpose Licence) Fee payable to apply for a special purpose licence to use a vehicle for research and development or special events on public roads.	Businesses (Motor dealers / Research & Development companies)	\$20.10	
8	Application Fee (Change of Vehicle Particulars Requiring LTA's approval) Fee payable to apply for LTA's approval to make major modifications to a registered vehicle (e.g. change of engine, change of transmission, conversion of bi-fuel (petrol-compressed natural gas) to petrol vehicle)	Individuals, businesses	\$4.40	
9	Application and Extension Fees (Vehicle Accessory Approval) Fee payable to apply for LTA's approval for aftermarket vehicle accessories (such as exhaust and lighting system) as a pre-approved vehicle accessories to be installed on specific vehicle make(s) and model(s).	Businesses (Manufacturer or Authorised Dealers)	\$15	

Frequently Asked Questions

1. How can I check or know if I should be receiving a refund?

You should first check if you had paid any of the nine fees or charges that are listed. If you have not paid any of these fees or charges, you are not affected by this refund.

If you have paid one or more of the fees and charges listed within the last five years, LTA will be refunding you the amount of GST (i.e. not the entire fee) that was wrongly charged from 1 March to 30 June 2024.

2. Do I need to write in to LTA to request a refund?

No. If you had paid any of the nine fees and charges within the last five years (since 1 Jan 2019), LTA will have your record and will proceed to refund you automatically.

3. Do I need to provide LTA with bank account or PayNow information?

This is not necessary if you already have updated bank account information on record in your OneMotoring account or if you have already registered your PayNow (NRIC/FIN/UEN). If you are not sure whether the information is updated, please login to your OneMotoring account to check and update the information accordingly.

4. How will LTA be crediting the refund to me?

LTA will credit the amount to your bank account that is registered with LTA. If you do not have any registered bank account details with LTA, LTA will seek to credit the funds using PayNow (NRIC/FIN/UEN). If the refund is successfully credited, LTA will notify you through e-notification and SMS. In some cases, LTA may also send you a letter.

If the refund transaction is not successful, due to the lack of bank account information, or where there is no PayNow account registered, LTA will send you an e-notification and SMS to request that you provide your bank account details at OneMotoring website or register your PayNow (NRIC/FIN/UEN) account at your bank and inform LTA at <https://www.lta.gov.sg/feedback>. In some cases, LTA may also send you a letter.

In other words, you will receive one of the following three notifications by end June 2024:

- a. Successful credit of the GST refund via GIRO; OR
- b. Successful credit of GST refund via PayNow (NRIC/FIN/UEN); OR
- c. Request to update refund bank account details at OneMotoring portal or register PayNow (NRIC/FIN/UEN) at your bank and inform LTA.

To protect the public against scams, all LTA notifications will not bear any clickable links. LTA will also not reach out to the public via phone calls to request any personal information.

5. What should I do if I had paid the fee more than five years ago?

Affected parties who made payment for the nine fees before 1 January 2019 may submit your claims by contacting LTA at <https://www.lta.gov.sg/feedback> from 1 July to 31 Dec 2024. For such claims, basic documents such as LTA receipts or record of applications would be required.

6. Why is PayNow-Mobile not accepted for crediting of refunds?

LTA will credit refunds via PayNow (NRIC/FIN/UEN). NRIC/FIN/UEN is an unchanged proxy issued by the Government, compared to mobile numbers which may be easily changed. To ensure that the money is credited to the correct recipient's bank account, only NRIC/FIN/UEN will be accepted as the proxy for government benefits via PayNow.

Eligible parties who have linked their NRIC/FIN/UEN to PayNow with a PayNow-GIRO-participating bank will receive the refunds in this bank account.

Members of public who wish to find out more may contact LTA at <https://www.lta.gov.sg/feedback> or call the LTA hotline at 6225-5582.

7. Based on the affected fees, I am supposed to receive a refund but have not done so by 30 June. What should I do?

You should first check if you had paid any of the nine fees or charges that are listed. If you have not paid any of these fees or charges, you are not affected by this refund.

LTA will progressively refund eligible recipients by 30 June. If you are supposed to receive a refund, but have not received it by 30 June 2024, you can contact LTA at <https://www.lta.gov.sg/feedback> or call the LTA hotline at 6225-5582.

Distribution List

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