

**Goods and Services Tax (Amendment) Act 2002  
(No. 43 of 2002)**

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GOVERNMENT GAZETTE  
ACTS SUPPLEMENT**

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The following Act was passed by Parliament on 5th December 2002 and assented to by the President on 18th December 2002:—

## **GOODS AND SERVICES TAX (AMENDMENT) ACT 2002**

**(No. 43 of 2002)**

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I assent.

ABDULLAH TARMUGI,  
*President.*  
*Person exercising the*  
*Functions of the President*  
*18th December 2002.*

### **Date of Commencement: 1st January 2003**

An Act to amend the Goods and Services Tax Act (Chapter 117A of the 2001 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 Goods and Services Tax (Amendment) Act 2002 and shall come into operation on 1st January 2003.

### **Amendment of section 2**

**2.** Section 2(1) of the Goods and Services Tax Act (referred to in this Act as the principal Act) is amended by inserting, immediately after the definition of “computer”, the following definition:

“ “computer output” has the same meaning as in the Computer Misuse Act;”.

### **Amendment of section 16**

**3.** Section 16 of the principal Act is amended by deleting “3%” in the 1st line and substituting “4% for the year 2003 and 5% for the year 2004 and subsequent years,”.

## Amendment of section 21

### 4. Section 21 of the principal Act is amended —

- (a) by deleting the word “or” at the end of subsection (3)(q)(iii);
- (b) by deleting the full-stop at the end of paragraph (r) of subsection (3) and substituting the word “; or”, and by inserting immediately thereafter the following paragraph:

“(s) services supplied for and to a person who belongs in a country other than Singapore relating to the co-location in Singapore of computer server equipment belonging to that person.”; and

- (c) by inserting, immediately after the definition of “aircraft” in subsection (4)(a), the following definition:

““co-location”, in relation to computer server equipment, means the provision of a physical environment for the operation of the computer server equipment;”.

## Amendment of section 39

### 5. Section 39 of the principal Act is amended —

- (a) by deleting the word “Where” in the 1st line of subsection (2) and substituting the words “Subject to subsections (2A) and (2E), where”;
- (b) by inserting, immediately after subsection (2), the following subsections:

“(2A) Where, in relation to a tax invoice issued before the date an increase in tax rate comes into operation —

- (a) no payment or part payment is received before that date; or
- (b) no supply or part of the supply of goods or services is treated under section 11(2) or (3) as having been made before that date,

the rate at which tax is chargeable on the supply shall be as follows:

- (i) tax shall be charged at the old tax rate on the higher of the following amounts:
  - (A) any part payment received before the date of change; or

(B) the value of any supply of the goods or services treated under section 11(2) or (3) as having been partly made before that date; and

(ii) tax shall be charged at the new tax rate on the amount of the tax invoice less the amount on which tax is charged at the old tax rate under paragraph (i).

(2B) For the purpose of subsection (2A), a tax invoice referred to in that subsection shall, on the date the increase in tax rate comes into operation, cease to have effect to the extent of the amount on which tax is chargeable at the new tax rate under subsection (2A) (ii).

(2C) Where a tax invoice ceases to have effect under subsection (2B), the person making the supply shall issue a new tax invoice specifying —

- (a) the new tax rate; and
- (b) the amount on which tax is chargeable at the new tax rate under subsection (2A) (ii),

and tax shall be chargeable on the supply to which the new tax invoice relates as if it were a separate supply.

(2D) Nothing in subsection (2), (2A), (2B) or (2C) shall affect any tax which (apart from those subsections) is chargeable on a supply to which an invoice referred to in subsection (2A) relates, and such tax shall be accounted for and paid to the Comptroller as if those subsections had not been enacted.

(2E) Where, in relation to a tax invoice issued before the date a supply ceases to be a zero-rated or an exempt supply —

- (a) no payment or part payment is received before that date; or
- (b) no supply or part of the supply of goods or services is treated under section 11(2) or (3) as having been made before that date,

tax shall be chargeable at the rate applicable on that date on the amount of the tax invoice less the higher of the following amounts:

- (i) any part payment received before that date; or