

This guide has been prepared by an independent third-party law firm

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SINGAPORE – TAX CONSIDERATIONS

The following information can help you get started in learning about some of the tax requirements that might apply to you as an individual when hosting listings in Singapore.

Tax can be tricky and it is important to ensure that you keep up to date with your tax obligations and remain tax compliant. The timely preparation, filing and payment of taxes are your responsibility.

If you are letting out accommodation in Singapore, you should make sure that you understand each of the following types of taxes, and pay the ones that apply to you:

- Income taxes
- Goods and services tax (GST)

Please understand that this information is not comprehensive, and is not intended to be tax or legal advice. If you are unsure about your local tax obligations, we encourage you to check this with official local sources, or to seek advice from qualified professionals.

Please note that we don't update this information in real time, so you should confirm that the laws or procedures have not changed recently.

We also draw your attention to the fact that Airbnb may have an obligation to report income earned by users of the platform. Therefore, if there is a mismatch between the information reported by Airbnb and the income you reported in your annual income tax return, the tax authorities may ask you questions.

INCOME TAX

If you earn income in Singapore, it is likely that you will be required to pay tax on a percentage of this income to the Singapore tax authority, the Inland Revenue Authority of Singapore (IRAS). Below is a brief outline of the tax that may arise on income earned from short-term lettings in Singapore and some information on how this tax can be paid over to IRAS.

Singapore's tax year for individuals is 1 January to 31 December.

Coming within the charge to income tax in Singapore.

You are generally required to pay income tax in Singapore if you derive Singapore-sourced income. Whether the income in respect of a property is considered Singapore-sourced or foreign-sourced income is a question of fact. Income arising from letting out property in Singapore will generally be considered Singapore-sourced and subject to Singapore income tax.

If you are a resident of Singapore whose income is more than SGD 22,000 or who has self-employment income with a net profit of more than SGD 6,000 in the preceding year, you are required to file an income tax return. You must file an income tax return if you have received a letter, form, or an SMS from IRAS informing you to do so, regardless how much you earned in the previous year.

If you are a non-resident who derived income from Singapore in the preceding year, you are required to file an income tax return.

Notwithstanding the above, if you receive a letter or SMS informing you that you have been selected for the No-Filing Service (NFS), you are only required to file an income tax return if you have changes to your income and/or personal relief claims (e.g., to include any additional sources of income such as taxable income from your hosting activities).

For the latest guidance on Singapore income tax, please refer to IRAS' [website](#).

Depending on your individual circumstances, you may qualify for tax reliefs. There is a wide range of tax reliefs available in Singapore with their own conditions and amounts.

Reporting tax in Singapore.

If you are a resident of Singapore, you should use Form B (if you derive income from carrying on a trade, business, profession, or vocation) or Form B1 (for any other individual person). If you are a non-resident, you should use Form M.

You can file your income tax return by e-filing (i.e., online through IRAS' myTax Portal), or by paper filing.

Reporting tax – filing deadline.

The income tax return filing deadline is 18 April of the next year for e-filing, or 15 April of the next year for paper filing. For example, the income tax return for your income derived from 1 January 2023 to 31 December 2023 should be submitted by 18 April 2024 for e-filing, or 15 April 2024 for paper filing.

You can request an extension to file tax online through IRAS' myTax Portal from 1 February.

Reporting tax – payment deadline.

Once your tax return has been filed, IRAS will review the return and issue a notice of assessment to you. You will generally have one month from the date of the notice of assessment to pay your taxes. You can also apply to pay your taxes via General Interbank Recurring Order (GIRO), which allows you to enjoy up to 12 interest-free monthly instalments or a one-time yearly deduction.

IRAS contact details

The contact details for IRAS on individual income tax matters are as follows:

- 1800 356 8300 if you are calling from Singapore; or
- (+65) 6356 8300 if you are calling from abroad.

Details can also be found on IRAS' [website](#).

Singapore income tax rates.

The income tax rates for individuals depend on whether you are resident in Singapore.

If you are a resident of Singapore, the income tax rates for individuals depend on the amount of the taxable income. The income tax rates for resident individuals are as follows (from year of assessment 2024, which relates to income derived in the basis period from 1 January 2023 to 31 December 2023):

- The first SGD 20,000 of taxable income is subject to the 0% rate
- The next SGD 10,000 is taxable at 2%
- The next SGD 10,000 is taxable at 3.5%
- The next SGD 40,000 is taxable at 7%
- The next SGD 40,000 is taxable at 11.5%
- The next SGD 40,000 is taxable at 15%
- The next SGD 40,000 is taxable at 18%
- The next SGD 40,000 is taxable at 19%
- The next SGD 40,000 is taxable at 19.5%
- The next SGD 40,000 is taxable at 20%
- The next SGD 180,000 is taxable at 22%
- The next SGD 500,000 is taxable at 23%
- Income above SGD 1,000,000 is taxable at 24%

If you are a non-resident, your rental income derived from a Singapore property is taxable at 24% (from year of assessment 2024, which relates to income derived in the basis period from 1 January 2023 to 31 December 2023).

For the latest Singapore individual income tax rates, please refer to IRAS' [website](#).

Singapore rules applicable to income earned in relation to letting out accommodation.

Any income you derive when you let out your property in Singapore is generally subject to Singapore income tax and must be declared in your income tax return. Such rental income may include rent of the premises, maintenance, furniture and fittings, etc..

You are able to deduct expenses that are wholly and exclusively incurred in the production of such income, and/or subject to conditions, certain expenses that are incurred in granting, renewing, or extending the lease of the property, or incurred while the property is vacant. This can include, but is not limited to:

- costs of securing tenant (e.g., agent's commission, Airbnb's service fee, advertising, etc.), subject to certain exceptions;
- utility expenses paid on behalf of the tenant and not reimbursed by tenant;
- cost of maintaining the property; and
- fire insurance.

As an administrative concession for property owners who lease their residential properties, an amount of deemed expenses calculated based on 15% of the gross income from leasing the property will be pre-filled if you file your income tax returns online through IRAS' myTax Portal. In addition, you can also still claim mortgage interest on the loan taken to purchase the property. Alternatively, you can opt to claim the amount of actual expenses incurred. Note that this administrative concession does not apply to non-residential properties.

You are required to retain all supporting documents (e.g., tenancy agreements, bank mortgage statements, invoices and receipts) for at least 5 years for verification purposes.

For further guidance on rental income and expenses, please see IRAS' [website](#).

Sample tax computation.

Sample Tax Computation		
You own and live in a flat with three bedrooms. You sublet one of the rooms from 1 January 2023 to 31 December 2023. Your tenant pays you SGD 600 per month as rent. The total amount of deductible expenses incurred for the whole flat is SGD 3,000. Your net rent that is taxable is calculated as follows:		
	Computing based on actual expenses incurred	Computing based on 15% deemed rental expenses

	SGD	SGD
Gross rental income	$600 \times 12 = 7,200$	$600 \times 12 = 7,200$
Less deductible expenses:	$(1 \text{ bedroom} / 3 \text{ bedrooms}) \times 3,000 = 1,000$ (Note: IRAS takes the position that the expenses must be apportioned based on the number of rooms rented out.)	$7,200 \times 15\% = 1,080$
Net rental income	6,200	6,120

GOODS AND SERVICES TAX (GST)

GST can be complicated and you should take time to understand the rules as they apply to you and your particular situation.

Broadly speaking, GST in Singapore is a tax on consumption. Most goods and services supplied in Singapore are subject to GST.

A person who supplies goods and/or services in Singapore may have to charge GST and pay this to IRAS. As with all taxes, we encourage you to consult with a tax advisor regarding your potential GST obligations in Singapore.

If you are currently letting out accommodation to guests, you may be required to apply GST to your charges to the guests and to pay this GST amount to IRAS. As Airbnb is not supplying the accommodation, it is the responsibility of the host to consider local GST obligations with this supply.

Do I need to collect any GST from guests if I am letting out accommodation in Singapore?

In general, you will need to charge GST on your supplies made in Singapore, once you meet the criteria for GST registration. Note that the lease of residential properties is exempt from Singapore GST (i.e., GST need not be charged), whereas the lease of non-residential properties is subject to GST. However, when you lease a furnished residential property, you will need to charge GST on the lease of the furniture and fittings in Singapore.

As different GST treatment applies to residential and non-residential property, you will need to identify if your property is residential or non-residential. For further guidance on whether you need to charge GST for your letting of accommodation, please see IRAS' [website](#) or consult your tax advisor.

Currently, in Singapore, you are required to register for GST if the total value of your taxable supplies made in Singapore (including standard-rated and zero-rated supplies, but excluding exempt supplies) is:

- more than SGD 1 million at the end of the calendar year; or
- expected to be more than SGD 1 million in the next 12 months.

There are certain exceptions to the above, and you may also be liable to register under the reverse charge regime if, among others, you procure services from overseas suppliers, or under the overseas vendor regime if you are an overseas supplier who provides remote services to individuals and businesses in Singapore. We encourage you to consult a tax advisor if you need assistance in determining whether you need to register for and charge Singapore GST.

For further guidance on registering for GST, please see IRAS' [website](#).

GST applies to me. How do I collect GST from guests?

If you determine that you need to charge GST on the supplies that you make to guests, please keep in mind that you have to collect this GST from your guests and report and remit this GST on a periodic GST return. In Singapore, the GST return typically covers a quarterly period (e.g. January - March). Both the GST returns and payment of the GST are due one month after the end of the accounting period covered by the return (e.g., for the quarterly period January - March, the GST return should be filed and GST paid by 30 April).

Some formalities, such as issuing a receipt or an invoice to your guests, may be required. Please find more information on this [here](#).

For further guidance on filing returns, please see IRAS' [website](#).

We recommend that you check your obligations in terms of pricing and the applicable invoice requirements with a local tax advisor.