

Public Consultation on Current Year Basis of Assessment

Date Submitted:	
Name:	For non-individuals, please identify the company, institution or association and provide the name of a contact person.
Contact Details:	E.g. DID, fax, email address
You are responding to the consultation from the perspective of:	(You may circle more than 1) <ol style="list-style-type: none">1. Company2. Individual3. Employee4. Employer5. Self-employed person
Views:	
<u>Questions for Companies</u>	
C1: Would switching to a CY basis of assessment improve the cash flow of your company? In what way?	
C2: Would the improved cash flow influence your company's investment decisions? In what way?	
C3: What are the compliance issues your company would face for each of the systems: (i) Upfront Estimation Method and (ii) Periodic Filing Method? How will it impact compliance costs?	
C4: Which option poses a higher compliance cost?	
C5: Balancing compliance costs and the benefits of aligning tax payable to the current state of the company's business, what is the reasonable frequency of filing under the Periodic Filing Method? Quarterly? Half-yearly?	

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C6: How much time would your company require to modify your systems to cater for the switch to CY assessment?

C7: What is a reasonable time period for your company to furnish your returns (audited accounts & tax computation) after your accounting period ends?

Q1: Do you think Singapore should switch from preceding year to current year basis of assessment? Why?

Q2: If you think that Singapore should remain on a preceding year basis of assessment, do you have any suggestions to improve the present tax system to improve its responsiveness in an increasingly volatile economy?

Questions for Individuals

I1: Would switching to a CY basis of assessment smooth out your disposable income and expenditure patterns? In what way?

I2: How would switching to a CY basis of assessment impact your consumption? In what way?

Q1: Do you think Singapore should switch from preceding year to current year basis of assessment? Why?

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Q2: If you think that Singapore should remain on a preceding year basis of assessment, do you have any suggestions to improve the present tax system to improve its responsiveness in an increasingly volatile economy?

Questions for Employees

EE1: If Singapore were to move to CY basis of assessment, which option would you prefer: (i) Employee Declaration Method or (ii) Employer Withholding Method? Why?

EE2: As many employees would receive their bonuses at year-end, should we have a system where the estimated tax liability for the current year is computed based on monthly basic salaries only, and the tax is adjusted accordingly when bonuses are received (usually year-end)?

Questions for Employers

ER1: What are the compliance issues you would face if the Employer Withholding Method is adopted? How does it impact compliance costs?

Questions For Self-Employed

SE1: What are the compliance issues you would face for each of the systems: (i) Upfront Estimation Method and (ii) Periodic Filing Method? How will it impact compliance costs?

SE2: Which option poses a higher compliance cost?

SE3: How much time would you require to modify your systems to cater for the switch to

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CY assessment?

SE4: Balancing compliance costs and the benefits of aligning tax payable to the current state of your earnings, what is the reasonable frequency of filing under the Periodic Filing Method? Quarterly? Half-yearly?

Any Other Comments