



INLAND REVENUE  
AUTHORITY  
OF SINGAPORE

# IRAS e-Tax Guide

## GST: Exchange Rates for GST Purpose (Third Edition)



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## GST: Exchange Rates for GST Purpose

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### 1 Aim

- 1.1 This e-Tax guide provides details on the approved exchange rates that GST-registered businesses can use to convert foreign currency into Singapore dollar for GST purposes.

### 2 At a glance

- 2.1 Where GST-registered businesses make supplies in foreign currencies, they are required to convert the value of the supplies into Singapore dollar using the conversion rates applicable at the time of supply.
- 2.2 This requirement is provided for under paragraph 11 of the Third Schedule of the GST Act.

### 3 Acceptable Exchange Rates

- 3.1 For GST purposes, exchange rates used must meet all the following conditions:

- a) The exchange rate is reflective of the Singapore money market at the time of supply.

Administratively, exchange rates obtained from any of the sources listed in [Appendix A](#) are acceptable.

- b) The exchange rate is the daily exchange rate corresponding to the time of supply. If not, it must be a good approximation of this rate.

Daily exchange rate refers to the prevailing buying rate, selling rate or average of the two. It is acceptable to use an exchange rate on a particular day of the month (e.g. last working day of the previous month) or an average rate over a specific period (e.g. average of the daily rates for the previous month) to approximate the daily exchange rate corresponding to the time of supply.

- c) The exchange rate is updated at least once every three months.
- d) The exchange rate is consistently used for internal business reporting, accounting and GST purposes.
- e) The exchange rate is used consistently for at least one year from the end of the accounting period in which the method was first used.

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### **4 Administrative Concession**

- 4.1 GST-registered businesses using the exchange rates listed in [Appendix A](#) and satisfy all the conditions stated in paragraph 3 do not need to seek the approval of the Comptroller to use these rates.

### **5 Use of Other Exchange Rates**

- 5.1 GST-registered businesses that would like to adopt an in-house exchange rate that is based on sources other than those listed in [Appendix A](#), or do not satisfy all the conditions stated in paragraph 3 are required to seek the Comptroller's approval in writing, via myTax Mail at [mytax.iras.gov.sg](mailto:mytax.iras.gov.sg).

- 5.2 In order for the Comptroller to review requests to use in-house exchange rates, businesses are required to provide the following information:

- a) Explanation on how the proposed in-house exchange rates are reflective of the exchange rates in the Singapore money market at the time when the supplies took place. Businesses should provide comparisons of the proposed rates with those listed in [Appendix A](#) (e.g. the rates published by a local bank) over a 2-week period;
- b) The type of exchange rates used by the business. E.g. daily exchange rates, buying rate, selling rate or the average of the buying and selling rates;
- c) A confirmation that:
  - i. The exchange rate will be updated at least once every three months;
  - ii. The exchange rate will be consistently used for internal business reporting, accounting and GST purposes; and
  - iii. The exchange rate will be used consistently for at least one year from the end of the accounting period in which the method was first used.

In general, the Comptroller will allow the use of rates that are close approximations of the rates listed in [Appendix A](#).

### **6 Proper Documentation**

- 6.1 GST-registered businesses are required to maintain sufficient documents to support the exchange rates used. Such books and records should be kept in a proper manner and made available for IRAS' verification whenever the need arises or when so requested by IRAS.

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### 7 Contact Information

7.1 For enquiries on this e-Tax Guide, please contact us via:

- myTax Mail at [mytax.iras.gov.sg](mailto:mytax@iras.gov.sg), if you are GST registered, or
- [www.iras.gov.sg](http://www.iras.gov.sg) > Contact Us > Goods & Services Tax (GST) > General GST enquiries, if you are not GST registered.

You may also chat with us using live chat from 8am to 5pm on weekdays, via [www.iras.gov.sg](http://www.iras.gov.sg) > Contact Us > Goods & Services Tax (GST) > Chat With Us.

### 8 Updates And Amendments

	Date of amendment	Amendments made
1	30 Sep 2013	Added paragraphs 1 and 2. Revised paragraphs 5.1, 5.2, 6 and Appendix A.
2	13 Jun 2017	Added <a href="http://www.xe.com">www.xe.com</a> in Appendix A
3	26 Nov 2021	Revised Appendix A Various editorial changes

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### 9 Appendix A - Acceptable Exchange Rates Sources for GST Purposes

Acceptable Sources of Exchange Rates	Remarks
a) Exchange rates published by local banks	These include rates published by full banks, wholesale banks, offshore banks and merchant banks in Singapore.
b) Local circulated newspapers	Examples would include: <ul style="list-style-type: none"><li>• Business Times</li><li>• Straits Times</li><li>• Financial Times</li><li>• Lianhe Zaobao</li></ul>
c) Exchange rates published by reputable news agencies e.g. <ul style="list-style-type: none"><li>• Bloomberg</li><li>• Reuters</li><li>• Onada</li></ul>	Rates from Bloomberg, Reuters and Oanda may be obtained online from: <ul style="list-style-type: none"><li>• <a href="http://www.bloomberg.com">http://www.bloomberg.com</a></li><li>• <a href="http://www.reuters.com">http://www.reuters.com</a></li><li>• <a href="http://www.oanda.com">http://www.oanda.com</a></li></ul>
d) Exchange rates published by foreign central banks e.g. European Central Bank and Federal Reserve Bank of New York	These apply only to foreign central banks without exchange controls.
e) Online resources e.g. Yahoo! Finance, <a href="http://www.xe.com">www.xe.com</a>	Exchange rates published by websites are acceptable if these websites based their rates from sources (a) to (e) above. For example, exchange rates from Yahoo! Finance are obtained from Reuters.
f) Monetary Authority of Singapore	These rates can be obtained from <a href="https://eservices.mas.gov.sg/Statistics/msb/ExchangeRates.aspx">https://eservices.mas.gov.sg/Statistics/msb/ExchangeRates.aspx</a> .