

Frequently Asked Questions – e-refund for Corporate Income Tax (CIT)

Table of Contents

General	2
1. Why is IRAS no longer refunding Corporate Income Tax (CIT) via cheques?	2
2. When did the mandatory e-refund for CIT take effect?	2
3. What are the benefits of e-refund as opposed to cheque refund?	2
Receiving CIT Refund via e-refund	2
4. What if my company has two different GIRO bank accounts for CIT and GST payment, respectively?	2
5. What if my company is paying for CIT and GST but only my GST payment is on GIRO?	2
6. What if my company has both GIRO and PayNow Corporate?	2
7. My company did not sign up GIRO but has registered for PayNow Corporate. Do I need to inform IRAS?	2
8. What is reflected on my bank statement after a successful e-refund?	2
9. What if my company does not have a GIRO arrangement with IRAS for CIT or GST nor a bank account registered for PayNow Corporate?	3
10. Will there be any late refund interest payable by IRAS if I did not receive my company's CIT refund due to unsuccessful GIRO arising from bank account closure or absence of a GIRO/PayNow set up?	3
11. My company's GIRO arrangement with IRAS to pay CIT is a third party account. Will my company's CIT refund be refunded to the GIRO bank account?	3
12. We are foreign registered companies and do not have any bank account in Singapore. How can we receive CIT refund from IRAS?	3
13. My company has a bank account in Singapore but it is maintained in foreign currency (e.g. USD). Can my company's CIT refund be made to this bank account?	3
Others	3
14. What if I want to change my GIRO bank account?	3
15. What if I want to change my PayNow Corporate bank account?	3
16. What happens if I close my bank account that is registered with Paynow Corporate or have a GIRO arrangement with IRAS for CIT or GST?	3
17. My company does not have any bank account. Can my company's CIT refund be made by GIRO/Paynow to a third party (e.g. Company's director)?	4
18. Can a non-UEN registered company register for Paynow Corporate?	4
19. How can I check if my company has registered for PayNow Corporate?	4

General

1. Why is IRAS no longer refunding Corporate Income Tax (CIT) via cheques?

In line with the Digital Government Blueprint to harness digital technologies to transform public service delivery by 2023, IRAS is committed to taxpayer-centric digital payment and refund services to businesses so that they can enjoy fast, secure and seamless e-payment and e-refund. Based on our records, majority of our taxpayers have bank accounts and are already paying taxes and receiving tax refunds electronically. They are thus ready to adopt e-refund. To encourage more businesses to receive CIT refunds electronically, we will no longer refund CIT credits via cheques but will do it via GIRO and PayNow instead and be ready to help businesses to onboard GIRO and PayNow.

2. When did the mandatory e-refund for CIT take effect?

It took effect on **3 Jan 2022**.

3. What are the benefits of e-refund as opposed to cheque refund?

Your business will receive CIT refunds earlier, and automatically into your business' bank account. E-refunds are secure, convenient and environmentally friendly. There will be no more cheques lost in mails and the inconvenience of requesting for cheque reissuance which in turn eliminates administrative fee for cheque handling.

Receiving CIT Refund via e-refund

4. What if my company has two different GIRO bank accounts for CIT and GST payment, respectively?

If your company is paying CIT and GST via GIRO separately with 2 different bank accounts owned by the company, any CIT refund will be credited into the same GIRO bank account from which your CIT is paid.

5. What if my company is paying for CIT and GST but only my GST payment is on GIRO?

If your company is paying GST and CIT but only GST is paid via GIRO with your company's bank account, any CIT refund will be credited to the GIRO bank account from which the GST is paid.

6. What if my company has both GIRO and PayNow Corporate?

If your company has signed up for both GIRO and PayNow Corporate separately with 2 different bank accounts owned by the company, the CIT refund will be credited to the GIRO bank account.

7. My company did not sign up GIRO but has registered for PayNow Corporate. Do I need to inform IRAS?

No, you do not need to inform IRAS. Any CIT refunds will be credited into your PayNow Corporate bank account under the UEN of your company. In the event that you have not registered for PayNow Corporate, an e-refund sign up reminder letter will be issued to your company.

For company without an UEN paying for CIT, please refer to Q18.

Please note that for PayNow Corporate, additional proxy can be created by adding 3-digit alpha numeric suffix to the UEN. E.g. UEN 201812345X, Suffix 0A1, Proxy will be 201812345X0A1. However, the CIT PayNow refund is attempted with the UEN without the suffix, E.g. 201812345X.

8. What is reflected on my bank statement after a successful e-refund?

For GIRO refund, the transaction will be reflected in your bank statement as "ITX <Tax Reference Number>".

For PayNow refund, the transaction will be reflected in your bank statement as “IRAS internal system number – CIT <Tax Reference Number>”.

9. What if my company does not have a GIRO arrangement with IRAS for CIT or GST nor a bank account registered for PayNow Corporate?

You will need to apply for GIRO or sign up for PayNow Corporate to receive your company tax refunds. Otherwise, your company’s CIT credit will be retained in the CIT account to offset future CIT liabilities.

10. Will there be any late refund interest payable by IRAS if I did not receive my company’s CIT refund due to unsuccessful GIRO arising from bank account closure or absence of a GIRO/PayNow set up?

No, there will not be any late refund interest payable to you. An e-refund sign up reminder letter will be issued to your company to remind you to set up GIRO with IRAS or register for PayNow Corporate for your company.

11. My company’s GIRO arrangement with IRAS to pay CIT is a third party account. Will my company’s CIT refund be refunded to the GIRO bank account?

No, your company’s CIT credits will not be refunded to third parties. Instead, they will be refunded to your company via PayNow using the UEN of your company. The bank account linked to the UEN will receive the CIT refund.

For company without an UEN paying for CIT, please refer to Q18.

12. We are foreign registered companies and do not have any bank account in Singapore. How can we receive CIT refund from IRAS?

Companies without a Singapore bank account may request for CIT refunds to be made by Telegraphic Transfer (TT) to their overseas bank account via the TT request form under ‘Tax Refunds via Telegraphic Transfer’ in <https://www.iras.gov.sg/quick-links/refunds>.

All costs incurred in relation to the TT refund shall be borne by the company.

13. My company has a bank account in Singapore but it is maintained in foreign currency (e.g. USD). Can my company’s CIT refund be made to this bank account?

Yes, CIT refund can be made by TT to a Singapore bank account maintained in foreign currency. Please submit a TT request form under ‘Tax Refunds via Telegraphic Transfer’ in <https://www.iras.gov.sg/quick-links/refunds>.

All costs incurred in relation to the TT refund shall be borne by the company.

Others

14. What if I want to change my GIRO bank account?

You may submit a new GIRO application. Please refer to <https://www.iras.gov.sg/quick-links/payments/giro-corporate-income-tax#make-changes-to-giro-arrangement> to find out how you could sign up for GIRO.

15. What if I want to change my PayNow Corporate bank account?

You may re-register for PayNow Corporate by linking your company’s new bank account to its UEN.

16. What happens if I close my bank account that is registered with Paynow Corporate or have a GIRO arrangement with IRAS for CIT or GST?

Any GIRO/PayNow refunds made to your company after the bank account is closed will be unsuccessful and a letter will be sent to your company to apply for e-refund.

To ensure that the CIT refunds due to your company can be received in a timely manner, please submit a new GIRO application and reapply for GIRO using the company's new bank account, or register for PayNow Corporate by linking your company's new bank account to its UEN before you close the old bank account.

17. My company does not have any bank account. Can my company's CIT refund be made by GIRO/Paynow to a third party (e.g. Company's director)?

No. We are unable to refund CIT to third parties. Thus, please open a Singapore bank account and sign up for GIRO with the new account or register with PayNow Corporate in order to receive your CIT refund. CIT credits that are not refunded will be retained in the CIT account and will be used to offset future CIT liabilities. Any balance CIT credit will be refunded after you sign up for GIRO or register for PayNow Corporate for your company. Please refer to <https://www.iras.gov.sg/quick-links/refunds> for information on circumstances where automatic tax refunds will not be made.

18. Can a non-UEN registered company register for Paynow Corporate?

No. Paynow Corporate is meant for Singapore entities registered with UEN.

You may sign up for GIRO for your company to receive the CIT refund electronically. If you do not intend to sign up for GIRO, please submit a [request](#) to receive your refund via Telegraphic Transfer.

Please note that IRAS does not refund to third party bank accounts. The bank account holder's name has to match the taxpayer's name.

19. How can I check if my company has registered for PayNow Corporate?

You may wish to approach your bank directly on this check as PayNow records are maintained by your bank.