Money laundering under the CDSA

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The offences

Part 6 of the CDSA contains the laundering offences. Section 51 criminalises assisting another person to retain the benefits of criminal conduct, where the accused knows or has reasonable grounds to believe that the other person is engaged in criminal conduct. Section 54 criminalises acquiring, possessing, using, concealing or transferring the benefits of criminal conduct, including one's own. Section 55 criminalises possessing or using property that is reasonably suspected to be the benefits of criminal conduct where the accused cannot satisfactorily account for it. Section 55A, added in 2019, catches the person who assists in laundering with reasonable grounds to suspect but without knowledge. The maximum punishment for the principal offences is a fine of S$ 500,000 or ten years' imprisonment or both for an individual. A company faces a fine of S$ 1 million or twice the value of the property involved, whichever is higher.[1]

The structure matters for digital-asset businesses because of the mental elements. Sections 51 and 54 reach the exchange employee who processes a withdrawal knowing that the funds came from a scam. The negligence tiers in ss 51(1A) and

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54(3A), punishable with up to S$ 250,000 or five years, reach the employee who had reasonable grounds to believe or to suspect and did nothing. Section 55 reverses the practical burden: once the prosecution shows reasonable suspicion that property is criminal proceeds, the accused must account for it satisfactorily. A money mule who received USDT into his exchange account and forwarded it cannot escape by saying he did not ask where it came from.

Predicate offences and the foreign element

"Criminal conduct" means doing an act constituting a serious offence listed in the Second Schedule, or a foreign serious offence that would be a serious offence if committed in Singapore. The schedule is long and includes cheating, criminal breach of trust, computer misuse, the Payment Services Act licensing offence and tax evasion. Since 2019 the Act presumes, once a prima facie case is shown, that an act committed abroad which would be a serious offence in Singapore is also an offence where it was committed. The presumption relieves the prosecution of proving foreign law in every mule case.[2]

For the Swiss practitioner the comparison with Art. 305bis of the Swiss Criminal Code is instructive. Switzerland requires a predicate felony or a qualified tax offence and punishes the act that frustrates confiscation. Singapore punishes a wider range of dealings, including mere possession under reasonable suspicion, and reaches negligent assistance. A Singapore employee can be convicted for conduct that in Zürich would at most be a breach of AMLA duties sanctioned by the SRO (see Part F, Chapter V and Part H, Chapter I).

Disclosure duties and tipping off

The duty to file a suspicious transaction report rests on every person who knows or has reasonable grounds to suspect, in the course of trade, profession, business or employment, that property represents the proceeds of criminal conduct. Failure to disclose is an offence under s 45. Tipping off, that is disclosing information likely to prejudice an investigation after a report has been made or an investigation begun, is punishable under s 57 with a fine of up to S$ 250,000 or three years' imprisonment

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or both.[3] The lawyer's position under the Legal Profession Act and the detail of the reporting regime for digital payment token service providers are covered in Part L, Chapter IV.

Feature	Singapore (CDSA Part 6)	Switzerland (Art. 305bis SCC)
Predicate	Serious offence in Second Schedule or foreign equivalent	Felony or qualified tax offence
Own proceeds	Covered (s 54)	Covered (self-laundering punishable)
Negligent variant	Yes, ss 51(1A), 54(3A), 55A	No (intent, including dolus eventualis, required)
Possession under suspicion	Offence with reverse onus (s 55)	No equivalent
Corporate fine	Up to S$ 1 million or twice the property value	Up to CHF 5 million under Art. 102 SCC
Tipping off	s 57, up to 3 years	Art. 10a AMLA prohibition, sanctioned under AMLA

Notes

1. CDSA 1992, ss 51(1), 54(1)–(3), 55, 55A and 57, Singapore Statutes Online (consulted June 2026): penalties as stated, including the lower tiers under ss 51(1A) and 54(3A) for the negligence-based variants. ↩
2. CDSA 1992, s 2(1) definitions of "criminal conduct", "serious offence" and "foreign serious offence", and the Second Schedule, Singapore Statutes Online. ↩
3. CDSA 1992, s 57 (tipping-off), Singapore Statutes Online (consulted June 2026); s 45 (duty to disclose) cited from the same Act without separate verification of its current penalty. ↩

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