Offences and penalties

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

The Income Tax Act grades its offences by culpability. Section 94 is the general penalty for failing to file or to comply, with a fine up to S$ 5,000 and a penalty of double the tax. Section 95 punishes an incorrect return made without reasonable excuse or through negligence with a penalty of up to 200 per cent of the tax undercharged, a fine up to S$ 5,000 and up to three years' imprisonment. Section 96 punishes wilful evasion with a penalty of 300 per cent of the tax undercharged, a fine up to S$ 10,000 and up to three years' imprisonment. Section 96A punishes serious fraudulent tax evasion, which includes falsified records and fictitious entries, with a penalty of 400 per cent, a fine up to S$ 50,000 and up to five years' imprisonment.[1] The GST Act contains the parallel offences in sections 59 to 63.[2]

In practice IRAS resolves the great majority of cases by composition under section 102, in which the Comptroller offers to compound the offence for a sum and the taxpayer pays the tax, the penalty and the composition amount without prosecution. Prosecution is reserved for serious or repeated cases and for cases in which IRAS wishes to make an example.[3] The published prosecutions of recent years include several involving undeclared trading and GST fraud but, to my knowledge, no reported prosecution for undeclared crypto trading as at 30 June 2026. The absence reflects the information gap that CARF will close.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Provision	Conduct	Penalty on tax	Fine	Imprisonment
s. 94	Failure to file or comply	Up to 200 %	Up to S$ 5,000	Up to 6 months in default
s. 95	Incorrect return, negligence or no reasonable excuse	Up to 200 %	Up to S$ 5,000	Up to 3 years
s. 96	Wilful evasion	300 %	Up to S$ 10,000	Up to 3 years
s. 96A	Serious fraudulent evasion	400 %	Up to S$ 50,000	Up to 5 years
GST Act s. 62	Wilful evasion of GST	300 %	Up to S$ 10,000	Up to 7 years
GST Act s. 63	Serious fraudulent GST evasion	400 %	Up to S$ 50,000	Up to 7 years

Notes

1. Income Tax Act 1947, s. 94 (general penalties), s. 95 (penalty for incorrect return or information), s. 96 (tax evasion and wilful action to obtain PIC bonus) and s. 96A (serious fraudulent tax evasion). ↩
2. Goods and Services Tax Act 1993 (2020 Rev. Ed.), ss. 59–63 (general penalties, incorrect returns, evasion and serious fraudulent evasion). ↩
3. Income Tax Act 1947, s. 102 (compounding of offences by the Comptroller); IRAS, annual reports and media releases on prosecutions and compositions, 2022–2025. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com