

GST & SELLER IDENTITY INFORMATION FOR SELLERS

The Inland Revenue Authority of Singapore (IRAS) publishes rules for auctioneers who help sellers by offering their goods for sale in auction.

The IRAS also publishes specific GST rules that relate to items sold by auction anonymously **without disclosing the identity of the owner** and items sold **in the name of the owner**.

Hotlotz clearly indicates if a item is offered for sale anonymously, without disclosing the identity of the owner or if it is offered for sale in the name of the owner, by including an 'ownership statement' in each lot's catalogue description.

Seller Identity

During the consignment process our valuers will discuss seller identity with you.

They will ask you if you want to consign anonymously, without disclosing the identity of the owner, or if you would like to consign in the name of the owner.

If you elect to consign in the name of the owner this will mean that the owner's full legal name (as recorded in their identity documents) will need to be included in the lot's catalogue description.

It is important that you consider this choice carefully as it will directly affect how much revenue you will receive from the sale of your items. Please refer to the illustration below for more details.

If you are consigning multiple items with Hotlotz, please note that you must apply your choice uniformly at an auction level, i.e. all items consigned for sale in a specific auction must have the same seller identity treatment.

If we do not receive an instruction from you, our default position will be to process your consignment anonymously, without disclosing your identity.

Closing Bid (or Hammer) Price Calculation

For items sold anonymously, **without disclosing the identity of the owner**

- The buyer is responsible for paying GST on the item. Hotlotz will collect this GST and remit it to the IRAS on the buyer's behalf.
- This GST must be included within the closing bid price, and cannot be added on.
- This is because under Singapore law all GST-registered businesses must display prices inclusive of GST.

For items sold **in the name of the owner**

- The buyer does not have to pay GST on the item, so you will be settled the closing bid price less applicable commission and fees.

Seller's Commission Calculation

During the consignment process our valuers will also discuss and agree a seller's commission rate with you. This is applied as a percentage and recorded in your sales contract. Our standard commission rate is 21.8% (inc. GST).

Seller's commission is calculated using the closing bid price after the buyer-responsible GST has been deducted. However if you are selling items in the name of the owner, then it is calculated using the closing bid price.

Insurance Fee Calculation

Hotlotz also charges sellers a mandatory insurance fee of 1.7% (inc. GST) on every item we sell. The insurance fee is calculated using the closing bid price.

Illustration

	Item sold anonymously without disclosing the identity of the owner	Item sold in the name of the owner
Closing bid price*	\$1,000.00	\$1,000.00
Buyer-responsible GST	- \$82.57	
Closing bid price minus buyer-responsible GST	\$917.43	\$1,000
Seller's commission* 21.8% (inc. GST)	- \$200.00	- \$218.00
Insurance fee 1.7% (inc. GST)	- \$17.00	- \$17.00
Amount settled to seller	\$700.43	\$765.00

* For illustration purposes we have used a lot with a closing bid (hammer) price of \$1,000.00, and a seller's commission rate of 21.8% (inc. GST).

Further Information

This guidance applies to auction sales, and to sellers who are Singapore residents and who are not GST registered individuals or companies.

If you fall into one of the following seller categories, please contact finance@hotlotz.com, and we will be pleased to offer you more tailored GST advice.

- Non-residents of Singapore
- GST-registered Singapore companies or individuals
- Creditors (who have possessed items for an unpaid debt)

For further information you may also consult the published [IRAS guidelines](#) for auctions.