

Singapore Tightens Up Cross-border Cash Movement Controls

It was recently announced by the Singaporean authorities that the amount of cash that may be carried in or out of Singapore unreported will be reduced to S\$20,000 or less from the current threshold of S\$30,000. The new threshold applies to both Singapore dollars and foreign currency. Travelers carrying cash in excess of the threshold must complete a report form and submit it to immigration officers. The reporting requirement also applies to bearer negotiable instruments, such as traveler's checks.

The new threshold comes into effect on September 1.

A failure to give a full and accurate report is an offence under the relevant legislation. The punishment is a fine not exceeding S\$50,000, or a term of imprisonment not exceeding 3 years, or both. The cash may also be seized if the person fails to report it.

The reporting requirement was first introduced in Singapore in 2007 as part of the island state's overall efforts to combat transnational crime, money laundering and terrorism financing. However, the authorities have been at pains to point out that it is not a currency control regime, and that any amount of cash in excess of the threshold can still be moved in or out of the country, provided that it is reported.

By way of comparison, in Indonesia, under the Anti Money-Laundering Act 2010,ⁱ and Bank Indonesia and Ministry of Finance regulations, the threshold for bringing cash in and out of the jurisdiction is set at Rp 100 million or the equivalent in foreign currency (applies also to checks, traveler's checks and other payment instruments). Amounts in excess of this threshold must be reported to the Directorate General of Customs & Excise, while if the cash is rupiah, permission must also be sought from Bank Indonesia. In the case of breaches of the reporting requirement, the Anti-Money Laundering Act imposes an administrative fine amounting to 10% of the value of the unreported cash, up to a maximum of Rp 300 million. The fine is to be taken directly from the unreported cash. Similarly, if the amount of cash that is taken in or out of the country exceeds the reported amount, up to 10% of the unreported amount may be seized as a fine, once again up to a maximum of Rp 300 million. Unlike Singapore, there are no criminal sanctions for violations of the reporting requirement in Indonesia.

Meanwhile, in the United States, Australia and New Zealand, the thresholds are \$10,000 in their respective currencies.

The Singapore report form, and instructions for completing it, may be viewed / downloaded at <http://www.cad.gov.sg/content/cad/en/resources/forms.html>.

i. Undang-Undang No. 8/2010 tentang Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang

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ASSEGAF HAMZAH & PARTNERS

Menara Rajawali 16th Floor, Jalan DR. Ide Anak Agung Gde Agung Lot # 5.1, Kawasan Mega Kuningan, Jakarta 12950, Indonesia

T +62 21 2555 7800 F +62 21 2555 7899 www.ahp.co.id

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