

GIRO

(A) INTRODUCTION

GIRO is 3-way relationship between you, your bank and a billing organisation (BO). GIRO is an arrangement provided by your bank for you to make payments directly to a BO for any outstanding bills. A BO can be a government agency or a private company.

There are two common types of GIRO:

- GIRO direct debit allows a BO to debit your designated bank account to pay your bills on a regular basis.
- Some banks provide “GIRO-on-demand” services where you have to authorise each GIRO payment through the phone/internet.

(B) BENEFITS OF GIRO TO CONSUMERS

- GIRO is a convenient and cashless mode of payment.
- With payments made automatically on a regular basis, customers need not bother with the hassle of remembering when a bill is due or wait in a line to pay a bill.

Some public sector BOs have also given consumers specific benefits relating to GIRO payments (please see **Appendix**).

(C) GIRO APPLICATION

(1) How do I sign up for GIRO?

You can sign up for GIRO by completing an application form (known as the GIRO Direct Debit Authorisation) and return it to the BO. You can ask the BO concerned to send you the form. Alternatively, some BOs make available the form on their websites where you can download a soft copy. Some BOs will send out the GIRO form together with your monthly bill. A template of the application form can also be found at The Association of Banks in Singapore (ABS) website at: http://www.abs.org.sg/cms/images/giro/GIROform_FINAL2006.pdf

The GIRO arrangement will be in place once your application is approved. It will only be cancelled when you specifically give instructions to your bank to do so.

(2) How long will the GIRO application take?

Your GIRO application should be approved within 14 working days from the date of your application, provided you have filled in the form correctly. The BO concerned will advise you of the actual date when the first GIRO deduction will be made. If you do not hear from the BO after 14 working days, please check with the BO. Meanwhile, please continue to pay your bills through other means (for example, by cheques) until you have been notified that your GIRO application has been approved.

(3) What fees and charges do I have to pay to open or terminate a GIRO account?

Currently, there are no fees and charges for setting up a GIRO arrangement.

(D) GIRO DEDUCTIONS

(1) On what days will my GIRO payments take place?

Your BO will usually inform you the date which deductions will be made. Some examples of deduction dates of public sector BOs can be found in the **Appendix**.

(2) How will I know that my bill has been paid?

The amount paid will be printed in your bank passbook or bank account statement. For bank account statements, more details of the payment would be shown (such as the BO's acronym as well as your account number with the BO). For bank passbook, a three-letter code of the BO may be reflected.

(3) If I pay by GIRO, will I still receive my bills?

BOs will usually still send you a bill. The difference is that instead of asking you for payment, your bill may say "This amount will be deducted from your XYZ (*bank's name*) account on DD/MM/YY".

(4) How do I keep track of my GIRO payments?

- a) Check the bill from the BO as soon as it arrives.
- b) Verify the deductions against your bank statement/ savings passbook regularly.

If you disagree with the amount to be deducted or the amount already deducted, please see **Section H: DISPUTES** below.

(5) Can someone else pay my bills on my behalf through GIRO?

Yes, you should be able to pay your bills by GIRO using another person's bank account. However, please check with the BO concerned whether it provides this facility.

In the GIRO application form, you must provide:

- a) the name of the bank of the person undertaking to pay and all relevant account details e.g. name of account holder, account number and contact numbers;
- b) the person undertaking to pay must sign according to his authorised signature in the bank's signature record;
- c) your particulars as the user of the services provided by the BO(s) concerned.

(6) Does the bank have to seek my authorisation in all GIRO deductions?

GIRO direct debit deductions are made automatically at every billing due date based on the authorisation given by you and the billing information provided by the BO. Your BO will advise you of the actual date of the first GIRO deduction. If you disagree with any deduction, you should immediately raise it with your bank and BO. Only "GIRO-on-demand" arrangements require you to give an authorisation for each deduction.

(E) INSUFFICIENT FUNDS/ UNSUCCESSFUL DEDUCTIONS

What happens if my account does not have sufficient funds when the GIRO payment is made?

Some BOs may:

- inform you that your GIRO deduction has been unsuccessful to meet payment due and the date of the second attempt to make the GIRO deduction, if any, and
- ask you to make the payment via other means.

BOs may also

- recover charges imposed by the banks in processing of the unsuccessful deduction from consumers; and/or
- impose a service or administrative fees to recover their processing costs.

Some banks charge a \$10 service fee for the cost of processing each unsuccessful GIRO deduction due to insufficient funds. Please check with your bank and BO to obtain more information on their fees/charges.

(F) DATE OF EXPIRY AND LIMIT FOR GIRO AUTHORISATION

(1) Can I specify the date of expiry for my GIRO authorisation?

Most BOs currently do not allow consumers to specify when the GIRO authorisation will expire on their GIRO application forms. Some BOs may consider including this facility for payments of a finite duration in their GIRO Application forms in future.

(2) Can I set a limit for my GIRO deductions?

Some BOs do allow consumers to set a limit for GIRO deductions. Please check with your BO concerned whether it provides this facility. When sending a request to your bank to set the payment limit on an existing GIRO, please also send a copy of the request to your BO to inform them of the limit set.

Please note that setting a limit might result in unsuccessful GIRO deduction if the outstanding amount required exceeds the limit specified. This might then result in an administrative charge by the bank and/or BOs.

(G) CHANGING BANK ACCOUNTS FOR GIRO

Can I change my GIRO payments (a) between accounts within the same bank or (b) to an account with another bank

a) Between accounts within the same bank

Please check with your bank. Some banks allow you to change the bank account for GIRO payments without re-applying for GIRO. You will need to inform your bank, which will make arrangements with the BO to receive payments from the new bank account. Please allow 30 days for this change to come into effect. In the meantime, please ensure that you maintain sufficient funds in the existing bank account for the monthly GIRO deductions.

b) to an account with another bank

You will need to submit a new GIRO application with details of your new bank account to the BO and also inform the BO concerned of the change. Please allow sufficient time (about 14 days) for the new application to be processed and activated. (See **Section C: GIRO APPLICATION**).

Some BOs will automatically terminate the existing GIRO arrangement upon the commencement of the new GIRO arrangement. If your BO does not provide this facility, you will need to terminate your existing GIRO linkage between your BO and your current bank account (see **Section I: TERMINATION OF A GIRO**).

(H) DISPUTES

(1) What can I do if I do not agree with the amount billed to me or the amount deducted from my bank account? Who can I approach in the event of a dispute?

(a) Before deduction has been made

Contact the BO immediately for it to look into the matter.

- As long as the GIRO deduction process has not been triggered, the BO should suspend deduction while investigation is taking place.
- After investigation
 - If the consumer's complaint is valid, the amount will be adjusted.
 - If the amount to be deducted is correct, the deduction will go through.

(b) After deduction has taken place

- Clarify with your bank and/or BO who made the error.
- BO will investigate and acknowledge within 3 working days.
- BO will provide an interim response within 10 working days.
 - If the amount deducted is incorrect, BO will refund the difference.

If the bank had deducted the wrong amount, they will investigate and correct the wrongful deduction.

If the BO has not given you a satisfactory response, you may consider approaching the Consumers Association of Singapore (CASE) for help at Email: complaints@case.org.sg, Tel: 6463 1811, Fax: 6467 9055.

If you are dissatisfied with your bank's response, you may wish to approach the Financial Industry Disputes Resolution Centre (FIDReC) (website: www.fidrec.com.sg) for assistance at Tel: 6327 8878.

(2) Is GIRO safe? What do I have to do to ensure that my GIRO account is secure?

GIRO is safe for making payments as banks have reliable and secure systems in place. You should also always check your bank statements to ensure that the deductions have been made properly. If you find any wrongful deductions, you should contact your bank and BO immediately.

(I) TERMINATION OF A GIRO

(1) Can I stop the payment of a particular bill?

Most banks do not allow for temporary stopping of payment via GIRO for a month or a few months. However, you may wish to check with your bank whether it offers this facility. If it does, ask your bank if a fee would be levied. Normally, when a "stop payment" request is made, it is usually taken as a request to terminate all future payments by GIRO to this BO. If the customer wishes to recommence payment by GIRO to this particular BO, a fresh application is required.

(2) How do I terminate a GIRO arrangement?

GIRO is essentially an arrangement between you and your service provider (i.e the Billing Organisation, or BO) to pay for the services through your designated bank account.

In that arrangement, you have authorised your bank to pay the bill (usually on a monthly or regular basis) to the BO by debiting the amount from your bank account, upon request from the BO.

Should you decide to terminate the GIRO arrangement, you must notify the BO, so that the BO would stop sending instruction to the bank to pay for your bill. At the same time, you should notify your bank so that the bank will not entertain any more requests from the BO to debit your account for payment to that particular BO.

Please note that inactive or dormant GIRO authorisations are not terminated automatically. You have to terminate the GIRO arrangement by writing in to notify your BO, with a copy sent simultaneously to your bank to inform them of the termination of a GIRO authorisation.

Some BOs may also accept telephone-call instructions to terminate the GIRO arrangement.

(3) How will I know that my GIRO payments have in fact been terminated?

Some BOs send a statement to confirm that the termination request is effected. You may also wish to contact the BO's customer service centre to confirm the status of the GIRO termination.

(J) USEFUL TIPS

- Read and understand the terms and conditions before you sign up for GIRO.
- Check your bank statements regularly to ensure that deductions have been properly made.
- Keep note of the billing dates of all your GIRO arrangements. Ensure that there are sufficient funds in your GIRO bank accounts for deduction to be made on the billing dates.
- Review GIRO arrangements periodically and terminate the DDAs that are no longer required.

You can find more information on GIRO from the websites of ABS, participating banks and BOs.

Examples of bills by Public Sector Organisations

Billing Organisation	Type of Bill	Benefits	Date of Deduction
Central Provident Fund Board (CPF)	CPF contributions	Employers with 11 or more employees (w.e.f. 1 Jan 05) can save their processing fees if they submit CPF Contribution details electronically and use Giro as the payment mode.	Every 14 th of the month
	Medisave for self-employed	You pay your Medisave in interest-free instalments instead of one lump sum.	Every 25 th of the month
Housing & Development Board (HDB)	Season parking tickets	You can save time queuing and be guaranteed a season parking ticket.	Every 18 th of the month
	Rent/ Mortgage loan (instalment/ Upgrading cost instalment)	You only give one month's rental deposit instead of three months	Every 28 th of the month
Inland Revenue Authority of Singapore (IRAS)	Individual Income Tax	You pay your Income Tax, Property Tax and TV Licence in interest-free instalments instead of one lump sum. For GST, you pay 15 days later after the filing due date.	Every 6 th of the month
	Corporate Income tax		Every 6 th / 20 th of the month
	Property tax		Every 4 th working day of the month
	GST		Every 15 th of the month
	TV licence fee		Every 5 th working day of the month
Land Transport Authority (LTA)	Vehicle road tax	You will be assured that your road tax is renewed on time	2 nd , 12 th or 22 nd of the month, depending on road tax expiry date
Ministry of Education (MOE)	School and miscellaneous fees	You only pay school fees in the last month of every quarter instead of every month	Every 16 th of March, June, September and December
Accounting and Corporate Regulation Authority (ACRA)	Renewals of your business's certificate of registration	You avoid having to pay a penalty as the renewal fees are deducted on time	Every 15 th of the month