

Misconceptions About Barter

Some misconceptions about barter exist, often a result of mixed messages. This lack of knowledge means that business owners develop assumptions about the process of bartering, often likening it to haggling. Images of inconvenience are conjured. In reality, the use of trade exchanges streamlines the process of bartering. BarterXchange utilizes innovative technology to make bartering a smooth process for both buyers and sellers.

Similarly, a shortage of facts on bartering has led to some business owners thinking that bartering can be used to dodge paying tax. This is incorrect, as one Barter Trade Credit is equal to one Singapore Dollar (SGD) and treated exactly the same. Barter transactions are assessable and deductible for income tax purposes to the same extent as other cash or credit transactions.

Please [click here](#) for more information about BarterXchange and taxation. Any beliefs that barter can be used for tax aversion are incorrect.

Another common perception in regards to bartering is that a direct exchange must take place. While originally bartering consisted of one farmer trading six pigs for a cow, today the process is very different. BarterXchange operates as a third party record keeper allowing products and services to freely flow between different members, without a direct exchange having to occur. BarterXchange facilitates and monitors all purchases (debits) and sales (credits) undertaken by its members.

Concerns about the price, service and quality of the products and services are also misconceptions. BarterXchange members are treated with the same high quality service that cash customers receive. In addition, BarterXchange has also introduced a Code of Barter Conduct for all its members.

Finally, bartering offers no guarantees that members will always be able to source what they want or need on trade. Like any cash transaction, there are times when products or services may not be available. Have a general comment, suggestion or question about BarterXchange?