Example on how the CAYE contribution rate will be computed:

Sam is a 48 year old soccer coach for MOE schools. He expects to earn a revenue of $30,000 and incur expenses of $9,000 in 2020. He indicated his expected revenue and expenses in Jan 2020 on the CAYE portal and his CAYE contribution rate will be computed as such:

(A) Estimated Annual Revenue	$30,000
(B) Estimated Annual Expenses	$9,000
(C) Estimated Annual Net Trade Income = (A) – (B)	$21,000
(D) MediSave Contribution Rate for Estimated Annual NTI and Age Group	10.00%
(E) Estimated MediSave Contribution = (C) x (D)	$2,100
(F) CAYE Contribution Rate = (E) / (A)	7.00%

In June, Sam needed to purchase new soccer equipment, resulting in higher than expected expenses. Hence, he updated his estimated annual expenses for 2020 to $15,000 on the CAYE portal. His CAYE contribution rate will be computed and updated as follows:

(A) Estimated Annual Revenue	$30,000
(B) Estimated Annual Expenses	$15,000
(C) Estimated Annual Net Trade Income = (A) – (B)	$15,000
(D) MediSave Contribution Rate for Estimated Annual NTI and Age Group	10.00%
(E) Estimated MediSave Contribution = (C) x (D)	$1,500
(F) CAYE Contribution Rate = (E) / (A)	5.00%

If Sam did not input his estimated revenue and expenses for year 2020 on the CAYE portal, a default CAYE contribution rate will applied based on his actual revenue and expenses earned two years ago. In 2018, Sam earned an annual revenue of $20,000 and incurred expenses of $8,000. His CAYE contribution rate for 2020 will thus be computed as follows:

(A) Estimated Annual Revenue	$20,000
(B) Estimated Annual Expenses	$8,000
(C) Estimated Annual Net Trade Income	$12,000
(D) MediSave Contribution Rate for Estimated Annual NTI and Age Group	5.00%
(E) Estimated MediSave Contribution = (C) x (D)	$600
(F) CAYE Contribution Rate = (E) / (A)	3.00%