

What You Should Know About CAYE



Central
Provident
Fund Board

CAYE, or Contribute-As-You-Earn, helps Self-Employed Persons (SEPs) to make smaller and more regular contributions to their MediSave.

CAYE does not change how much MediSave* SEPs need to contribute.

* Currently, SEPs are required to contribute to their MediSave accounts if they earn an annual **Net Trade Income (NTI)** of **more than \$6,000**.

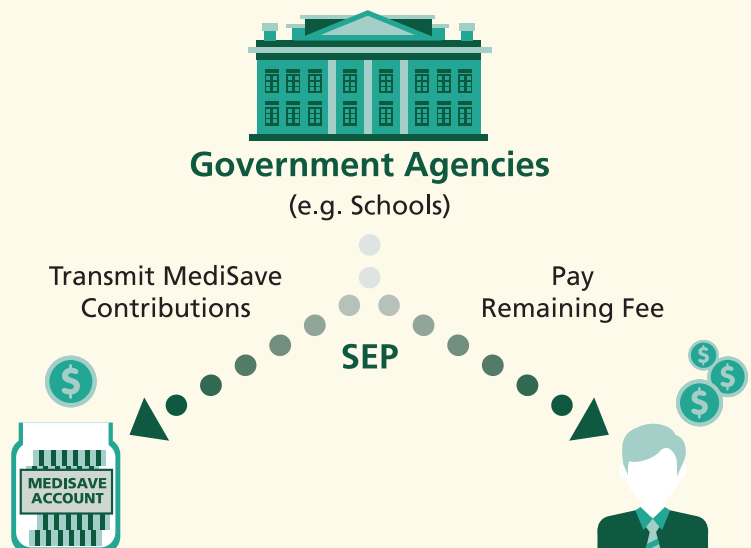


How CAYE works

From 1 January 2020

The Government will pilot CAYE for SEPs who provide services to the Government.

This means that when you complete a job with a government agency, a portion of your payment will be credited into your MediSave Account, with the remainder paid to you in cash.



Benefits of CAYE



Regular MediSave Contributions

CAYE helps you make smaller and more regular MediSave contributions each time you receive a payment.



Hassle-free

For your convenience, government agencies will help channel your contributions to your MediSave Account whenever you get paid.



Grow Your Money

With interest of up to 5% per annum* paid on your MediSave savings, CAYE will grow your MediSave savings faster.

*includes extra 1% paid on the first \$60,000 of a CPF member's combined balances

Setting your CAYE contribution rate

Your CAYE contribution rate is an estimate of how much you need to contribute to your MediSave as an SEP. It is based on your estimated NTI and MediSave contribution rate.

Example:

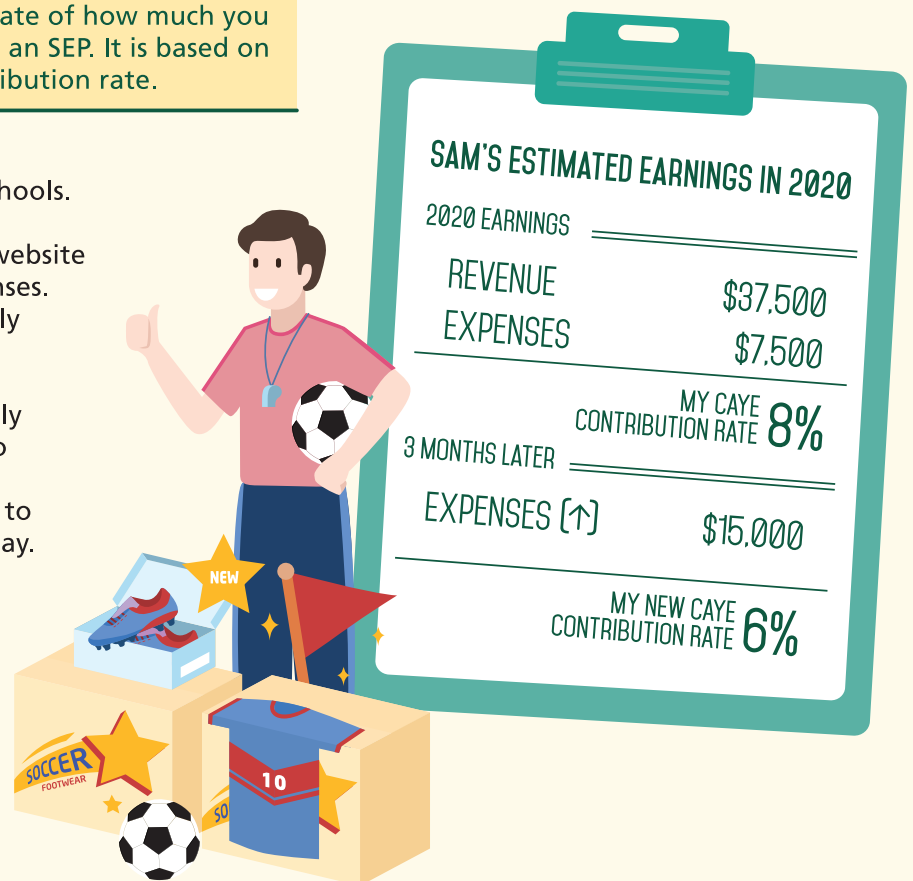
Sam is a 48-year-old coach engaged by schools.

In January 2020, Sam logs on to the CPF website to enter his estimated revenue and expenses. His CAYE contribution rate is automatically computed as 8%.

In April 2020, Sam's expenses unexpectedly increase. He logs on to the CPF website to update his expenses and his new CAYE contribution rate is automatically revised to 6%. This will be effective from the next day.

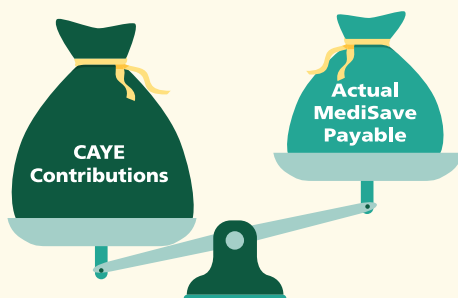
Like Sam, you can set your CAYE contribution rate by entering your estimated revenue and expenses on the CPF website.

Otherwise, your CAYE contribution rate will be calculated based on your actual NTI from two years ago.

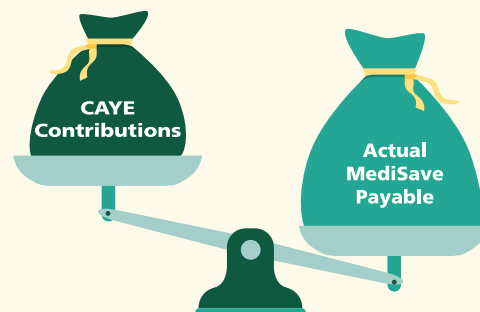


CAYE does not change how much MediSave you need to pay

As CAYE contributions are only an estimate of your MediSave contributions, you will need to declare your actual NTI to IRAS / CPF Board the following year to calculate how much MediSave you need to pay as an SEP.



If your CAYE contributions are more than your actual MediSave payable, you will automatically receive a refund.



If your CAYE contributions are less than your actual MediSave payable, you will need to top up the shortfall.

Viewing your MediSave contributions and payments made via CAYE



You can **log in to your Self-employment dashboard using your Singpass** to view your CAYE transactions and payments, as well as to update your revenue and expenses.

For other payment queries, you can check with the company or agency that you have worked with directly.