

Which allowances and payments attract CPF contributions?

| Attendance allowance | Is CPF payable? |
|---|------------------------|
| Payment to employees for good work and attendance | YES |

| Anniversary cash award | Is CPF payable? |
|---|------------------------|
| Payment to employees on company's anniversary | YES |

| Annual wage supplement / bonus | Is CPF payable? |
|---|------------------------|
| Payment to employees at the end of the financial year | YES |

| Commission | Is CPF payable? |
|--|------------------------|
| Payment to employees based on percentage of sales achieved | YES |

| Cost of living allowance | Is CPF payable? |
|--|------------------------|
| Payment to employees as part of employee's wages | YES |

| Casual / Part-time employees | Is CPF payable? |
|--|------------------------|
| CPF contributions are payable for part-time/casual employees | YES |

| Dirt allowance | Is CPF payable? |
|--|------------------------|
| Payment to employees for performing field duties | YES |

| Education allowance | Is CPF payable? |
|--|------------------------|
| Contractual payment for education of employee's children | YES |

| Education / training reimbursement | Is CPF payable? |
|--|------------------------|
| Reimbursement for course and examination fees as part of employee's training programme | NO |

| Entertainment expenses | Is CPF payable? |
|--|------------------------|
| Reimbursement for entertaining company's clients | NO |

| Extra duty allowance | Is CPF payable? |
|---|------------------------|
| Payment to employees for extra work done; e.g. night duty, overtime, public holiday, acting allowance etc | YES |

| Festive allowance | Is CPF payable? |
|---|------------------------|
| Cash gift (e.g. hongbao) given to employees during festive season | YES |

| Finders introduction fees | Is CPF payable? |
|---|------------------------|
| Payment to employees for introducing workers to company | NO |

| Flexible benefit expenses | Is CPF payable? |
|---|------------------------|
| Payments for expenses not necessarily incurred by employer, e.g. employee's groceries, home renovations | YES |
| Reimbursement for expenses necessarily incurred for on behalf of the employer as business expenses, e.g. professional publications for work | NO |
| Reimbursement for medical treatments (local and overseas) incurred by employee and dependants (spouse and child) | NO |
| Reimbursement for dental treatments (local and overseas) incurred by employee | NO |
| Reimbursement for dental treatments (local and overseas) incurred by employee's dependants (spouse and child) | NO* |
| Reimbursement for holiday expenses incurred by employees | YES* |
| Reimbursement for holiday benefits incurred by employee's dependants (spouse and child) | YES |

Note: * With effect from 1 January 2020

| Gifts in kind | Is CPF payable? |
|--------------------------------|------------------------|
| Award in kind e.g. token gifts | NO |

| Gratuity | Is CPF payable? |
|---|------------------------|
| Payment to employees for good service while still in employment | YES |

| Grooming and hair cut allowance | Is CPF payable? |
|--|------------------------|
| Payment to employees for enhancement of appearance | YES |

| Handphone and pager expenses | Is CPF payable? |
|---|------------------------|
| Payment of handphone and pager allowances to employees | YES |
| Payment of handphone and pager charges directly to third party, e.g. service provider | NO |
| Reimbursement for handphone and pager expenses necessarily incurred for official purposes on behalf of employer | NO |

| Holiday expenses | Is CPF payable? |
|---|------------------------|
| Fixed payment to employees for vacation | YES |

| Housing / rental expenses | Is CPF payable? |
|---|------------------------|
| Payment to employees for housing rent | YES |
| Payment of rent directly to third party e.g. landlord | NO |

| Incentive allowance | Is CPF payable? |
|------------------------------------|------------------------|
| Cash payment incentive | YES |
| Incentive in kind e.g. token gifts | NO |

| Laundry expenses | Is CPF payable? |
|--|------------------------|
| Payment to employees for laundry expenses on personal clothing | YES |
| Reimbursement for laundry expenses to uniformed employees | NO |

| Leave pay | Is CPF payable? |
|--------------------------|-----------------|
| Payment in lieu of leave | YES |

| Long service award | Is CPF payable? | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--------------------|-----------|-----------|-----------|-----------|-----------|-------------|----|----|----|----|----|--------------------|----------|----------|----------|----------|-----------|-------------|-----|-----|----|-----|----|--------------------|----------|----------|----------|-----------|-----------|-------------|-----|----|-----|----|----|----|
| <p>1. Cash award given to employees with less than 5 years' service and every subsequent period of less than 5 years' service.</p> <p>2. Cash award given to employees with at least 5 years' service and every subsequent period of not less than 5 years' service (i.e. 5, 10, 15 and so on), and the cash award exceeds the employee's Ordinary Wages for the month in which it is given. CPF is payable on the amount in excess of the Ordinary Wages.</p> | YES | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Cash award given to employees with at least 5 years' service and every subsequent period of not less than 5 years' service (i.e. 5, 10, 15 and so on), and the cash award does not exceed the employee's Ordinary Wages for the month in which it is given.</p> <p>Examples:</p> <p>(a) The company gives a long service award on the completion of every 5 years' service. The years in which the long service award attract CPF contributions are as follows:</p> <table border="1"> <thead> <tr> <th>Long service award</th> <th>5th year</th> <th>10th year</th> <th>15th year</th> <th>20th year</th> <th>25th year</th> </tr> </thead> <tbody> <tr> <td>CPF payable</td> <td>No</td> <td>No</td> <td>No</td> <td>No</td> <td>No</td> </tr> </tbody> </table> <p>(b) The company gives a long service award on the completion of every 2 years' service. The years in which the long service award attract CPF contributions are as follows:</p> <table border="1"> <thead> <tr> <th>Long service award</th> <th>2nd year</th> <th>4th year</th> <th>6th year</th> <th>8th year</th> <th>10th year</th> </tr> </thead> <tbody> <tr> <td>CPF payable</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> </tr> </tbody> </table> <p>(c) The company gives a long service award on the completion of every 3 years' service. The years in which the long service award attract CPF contributions are as follows:</p> <table border="1"> <thead> <tr> <th>Long service award</th> <th>3rd year</th> <th>6th year</th> <th>9th year</th> <th>12th year</th> <th>15th year</th> </tr> </thead> <tbody> <tr> <td>CPF payable</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> <td>No</td> </tr> </tbody> </table> | Long service award | 5th year | 10th year | 15th year | 20th year | 25th year | CPF payable | No | No | No | No | No | Long service award | 2nd year | 4th year | 6th year | 8th year | 10th year | CPF payable | Yes | Yes | No | Yes | No | Long service award | 3rd year | 6th year | 9th year | 12th year | 15th year | CPF payable | Yes | No | Yes | No | No | NO |
| Long service award | 5th year | 10th year | 15th year | 20th year | 25th year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CPF payable | No | No | No | No | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long service award | 2nd year | 4th year | 6th year | 8th year | 10th year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CPF payable | Yes | Yes | No | Yes | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long service award | 3rd year | 6th year | 9th year | 12th year | 15th year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CPF payable | Yes | No | Yes | No | No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Maternity allowance | Is CPF payable? |
|--|------------------------|
| Payment to female employees during confinement and in addition to monthly salaries | YES |

| Maternity subsidy | Is CPF payable? |
|--|------------------------|
| Payment from employer directly to service provider, e.g. hospital, clinic, etc for maternity expenses incurred by employee | NO |

| Meal expenses | Is CPF payable? |
|--|------------------------|
| Monthly lump sum payment for meals to employees | YES |
| Meal reimbursement for staying beyond working hours, i.e. overtime | NO |

| National Service (NS) Make-up Pay given by MINDEF/SCDF/SPF for Operationally Ready NSmen on NS Training | Is CPF payable? |
|---|------------------------|
| <p>Make-up pay given by MINDEF/SCDF/SPF for NSmen employees during their NS training period.</p> <p>Under the Enlistment Act, CPF contributions are payable for Operationally Ready NSmen employees on NS training. The employer has to pay CPF contributions based on the wages given by the employer, together with the make-up pay (i.e. loss in civilian income inclusive of variable wage components like overtime pay and commission) from the MINDEF/SCDF/SPF, as though the employee has not been away from work. The employer has to bear the full employer's share of CPF contribution but can recover the full employee's share from the employee's wages.</p> <p><i>Please refer to the NS Portal website for more information on NSmen payments.</i></p> | YES |

| Per diem allowance | Is CPF payable? |
|--|------------------------|
| Payment to employee to defray the cost of an overseas assignment, regardless of whether actual expenditure is incurred | YES |

| Per diem reimbursement | Is CPF payable? |
|---|------------------------|
| Reimbursement for expenses incurred on behalf of the employer for official purposes | NO |

| Personal clothing allowance | Is CPF payable? |
|--|------------------------|
| Payment to employees to enhance appearance | YES |

| Probation period pay | Is CPF payable? |
|----------------------------------|------------------------|
| Wages for employees on probation | YES |

| Prizes given in contest | Is CPF payable? |
|---|------------------------|
| Cash prizes given to participants in contests which is work-related | YES |
| Cash prizes given to participants in contests where the cash payments are not related to work, e.g. Dinner and Dance, lucky draws, early bird draws | NO |

| Productivity award | Is CPF payable? |
|-----------------------------------|------------------------|
| Cash award for staff productivity | YES |

| Sales performance award | Is CPF payable? |
|---|------------------------|
| Payment to employees for attaining sales target | YES |

| Service charge | Is CPF payable? |
|--|------------------------|
| Collection by hotels/restaurants and distributed as part of wages to employees | YES |

| Share option | Is CPF payable? |
|--|------------------------|
| Cash proceeds for the share options given to the employee | YES |
| Sales proceeds if the shares options have been exercised and the shares are held in the employee's name Payments granted in kind to employees where no cash payments are payable to employees | NO |

| Staff welfare benefits | Is CPF payable? |
|---|------------------------|
| Gifts in kind to employees on their marriage or birth of their children | NO |

| Stand-by duty allowance | Is CPF payable? |
|--|------------------------|
| Payment to employees for stand-by duties | YES |

| Termination benefits | Is CPF payable? |
|--|------------------------|
| Retirement gratuity, retrenchment pay, ex-gratia payment not related to employment, compensation in lieu of notice, severance pay, compensation for loss of employment | NO |
| Temporary lay-off benefits | YES |

| Tips | Is CPF payable? |
|--|------------------------|
| Cash collected from customers to augment wages of hotel and restaurant employees | YES |

| Transport expenses | Is CPF payable? |
|---|-----------------|
| Payment to employees for transport subsidies | YES |
| Reimbursement for travel in the line of official duty Reimbursement for travel between home and workplace beyond normal working hours e.g. rest days and public holidays Reimbursement for travel from home/office to the place of assignment (not the normal place of work) Reimbursement for actual transport expenses where the employer is obliged to provide transport for employees and where the transport is not available | NO |

| Work Injury Compensation Act | Is CPF payable? |
|--|-----------------|
| Compensation to employees for injuries approved under the Work Injury Compensation Act | NO |