

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
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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