

### Which allowances and payments attract CPF contributions?

<b>Attendance allowance</b>	<b>Is CPF payable?</b>
Payment to employees for good work and attendance	YES

<b>Anniversary cash award</b>	<b>Is CPF payable?</b>
Payment to employees on company's anniversary	YES

<b>Annual wage supplement / bonus</b>	<b>Is CPF payable?</b>
Payment to employees at the end of the financial year	YES

<b>Commission</b>	<b>Is CPF payable?</b>
Payment to employees based on percentage of sales achieved	YES

<b>Cost of living allowance</b>	<b>Is CPF payable?</b>
Payment to employees as part of employee's wages	YES

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

<b>Dirt allowance</b>	<b>Is CPF payable?</b>
Payment to employees for performing field duties	YES

<b>Education allowance</b>	<b>Is CPF payable?</b>
Contractual payment for education of employee's children	YES

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

<b>Entertainment expenses</b>	<b>Is CPF payable?</b>
Reimbursement for entertaining company's clients	NO

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

<b>Festive allowance</b>	<b>Is CPF payable?</b>
Cash gift (e.g. hongbao) given to employees during festive season	YES

<b>Finders introduction fees</b>	<b>Is CPF payable?</b>
Payment to employees for introducing workers to company	NO

<b>Flexible benefit expenses</b>	<b>Is CPF payable?</b>
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**

<b>Gifts in kind</b>	<b>Is CPF payable?</b>
Award in kind e.g. token gifts	NO

<b>Gratuity</b>	<b>Is CPF payable?</b>
Payment to employees for good service while still in employment	YES

<b>Grooming and hair cut allowance</b>	<b>Is CPF payable?</b>
Payment to employees for enhancement of appearance	YES

<b>Handphone and pager expenses</b>	<b>Is CPF payable?</b>
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

<b>Holiday expenses</b>	<b>Is CPF payable?</b>
Fixed payment to employees for vacation	YES

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

<b>Incentive allowance</b>	<b>Is CPF payable?</b>
Cash payment incentive	YES
Incentive in kind e.g. token gifts	NO

<b>Laundry expenses</b>	<b>Is CPF payable?</b>
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), <b>and</b> the cash award <b>exceeds</b> the employee's Ordinary Wages for the month in which it is given. CPF is payable on the amount <b>in excess</b> 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), <b>and</b> the cash award <b>does not exceed</b> 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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<b>Maternity allowance</b>	<b>Is CPF payable?</b>
Payment to female employees during confinement and in addition to monthly salaries	YES

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

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

<b>National Service (NS) Make-up Pay given by MINDEF/SCDF/SPF for Operationally Ready NSmen on NS Training</b>	<b>Is CPF payable?</b>
<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 <a href="#">NS Portal website</a> for more information on NSmen payments.</i></p>	YES

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

<b>Per diem reimbursement</b>	<b>Is CPF payable?</b>
Reimbursement for expenses incurred on behalf of the employer for official purposes	NO

<b>Personal clothing allowance</b>	<b>Is CPF payable?</b>
Payment to employees to enhance appearance	YES

<b>Probation period pay</b>	<b>Is CPF payable?</b>
Wages for employees on probation	YES

<b>Prizes given in contest</b>	<b>Is CPF payable?</b>
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

<b>Productivity award</b>	<b>Is CPF payable?</b>
Cash award for staff productivity	YES

<b>Sales performance award</b>	<b>Is CPF payable?</b>
Payment to employees for attaining sales target	YES

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

<b>Share option</b>	<b>Is CPF payable?</b>
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

<b>Staff welfare benefits</b>	<b>Is CPF payable?</b>
Gifts in kind to employees on their marriage or birth of their children	NO

<b>Stand-by duty allowance</b>	<b>Is CPF payable?</b>
Payment to employees for stand-by duties	YES

<b>Termination benefits</b>	<b>Is CPF payable?</b>
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

<b>Tips</b>	<b>Is CPF payable?</b>
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