

EXPLANATORY NOTES FOR COMPLETION OF FORM IR8S FOR THE YEAR ENDED 31 DEC 2023

1. Employers NOT participating in AIS
You must prepare the **Form IR8S** if there is excess CPF contributions made in 2023 by you and/or your employee and give the form to your employee by **1 Mar 2024**. Your employee must attach the Form IR8S when he files his Income Tax Return for the Year of Assessment 2024.

Employers participating in AIS

All employment income information including information on excess CPF Contributions for the year ended 31 Dec 2023 should be submitted to IRAS electronically by **1 Mar 2024**. Please ensure that the employment income information submitted to IRAS is correct and complete.

Employers participating in AIS do not need to issue the Form IR8S to your employees. However, you may wish to provide your employees with a separate statement for their record.

Please inform your employees not to include their employment income and deductions in their income tax form to avoid being taxed twice on the same income, as these information will be automatically included in their income tax assessments.

2. For tax treatment of excess/voluntary contributions to CPF by employer, please refer to Explanatory Note 9 d) 7 on the Completion of Form IR8A and Appendix 8A. State only the CPF contributions on wages in respect of Singapore employment as **no** deduction can be allowed for the employee's contribution on his wages in respect of non-Singapore employment. Similarly, employer's CPF contributions on the employee's wages in respect of non-Singapore employment are **not** taxable in Singapore.
3. Ordinary Wages (OW) and Additional Wages (AW) in the Form IR8S have the same meaning as in the CPF Act. You may refer to CPF Board's website www.cpf.gov.sg for more information:
 - a) OW are wages due or granted wholly and exclusively in respect of an employee's employment in that month and payable before the due date for payment of CPF contributions for that month. Examples of OW are basic salary, overtime pay and monthly meal allowance.
 - b) AW are any remuneration other than OW (excludes directors' fee and value of benefits-in-kind for which **no** CPF contribution is required). Examples of AW are annual bonus, leave pay and quarterly sales incentive.
4. Please note the following when completing the Form IR8S:

Section A

Complete this section for **all** months in 2023, i.e. months with and without excess CPF contributions if CPF contributions made in 2023 by you and/or your employee:

- a) Are more than the compulsory contributions under the CPF Act;
Example:
The compulsory employer's CPF contribution rate of an employee who is 55 years old and below is 17%. If the employer contributes more than the compulsory CPF contribution rate for the employee, the excess portion (less amount refunded or to be refunded) is taxable.

You may refer to CPF Board's website at www.cpf.gov.sg for the contribution rates of the different age groups.
- b) On monthly OW are more than \$6,000 from Jan to Aug and \$6,300 from Sep 2023;
- c) On total AW are more than the difference between \$102,000 and OW subject to compulsory CPF contributions; or
- d) Are not compulsory under the CPF Act.
Example:
Foreigners are not required to make CPF contributions. The CPF contributions made by employer for foreign employees or on director's fees are considered as voluntary contributions.

Section B

Enter the amount of excess/voluntary CPF contributions made by you and/or your employee under employer's contribution and employee's contribution respectively.

Section C

Complete this section if you and/or your employee claimed or will claim a refund of the excess contributions from CPF Board. Interest from the refund of employee's contribution is taxable in the hands of the employee. For example, if the date of refund is in the year 2023, interest will be taxable in the Year of Assessment 2024.

Item	What does it refer to
Amount	OW and/or AW for which CPF contributions are in excess of the statutory limit
Period	The calendar year in which the amount relates to
Date Paid	The date when the excess CPF contribution is paid

For examples on how to determine the taxable amount of the excess employer's CPF contributions on OW and AW, please refer to www.iras.gov.sg [Taxes > Individual Income Tax > Basics of Individual Income Tax > Tax reliefs, rebates and deductions > Tax reliefs > Central Provident Fund (CPF) Relief for employees]