

## Annex A – Common Examples of Unacceptable Practices

Among the cases under review, IRAS observed the following practices in attempting to receive higher amounts of JSS payouts:

Unacceptable Practice				Result of Unacceptable Practice
Employer places employee on no-pay leave/ retrenches employee	⇒	Employer's mandatory CPF contribution for employee continues without change	⇒	By making mandatory CPF contributions that are not reflective of the actual wages paid, the employer will receive more JSS payout than he is entitled to.
Employer cuts employee's monthly wage	⇒	Employer's mandatory CPF contribution for employee continues without change	⇒	
Employer increases employee's mandatory CPF contribution	⇒	Employee's monthly wage remains the same	⇒	
Employee receives mandatory CPF contributions from an employer he/she does not work for  OR  Employer makes mandatory CPF contributions for a non-genuine employee	⇒			This is a fraudulent arrangement. Employers should not make any mandatory CPF contributions to individuals who are not their actual employees.  <i>Individuals are reminded that providing their personal information to employers to facilitate such schemes may make them accomplices to the fraud, resulting in criminal liability for the individuals. Individuals should not give out their personal information such as NRIC, SingPass or bank account details in exchange for mandatory CPF contributions and/or money.</i>
Employer asks employee to return a part of his/her monthly wage for the month in cash	⇒	Employer's mandatory CPF contribution for employee continues without change	⇒	This is a fraudulent arrangement. Employers should only make the right amount of mandatory CPF contributions based on the actual wages paid to their employees.
Employee's monthly wage exceeds \$4,600	⇒	Employer paid employee the first \$4,600 directly, but informs him/her that the remaining amount will be paid by a related business entity that he/she did not work for	⇒	Employers should only make mandatory CPF contributions to employees for the business entities they are working for, instead of artificially splitting the wages of its employees across related business entities to circumvent the \$4,600 salary ceiling.