

WAGE CREDIT SCHEME (WCS) FACTSHEET

Who is eligible?

1. In any calendar year from 2013 to 2017, employers qualify for WCS payouts if they give wage increases of at least \$50 to employees who are on their payroll for at least three months in the year, and who received CPF contributions for at least three months in the preceding year. Employees could have been on the payroll of a different employer in the preceding year, but they must be on the payroll of a single employer for at least three months in that year.
2. All Singapore Citizen employees who received CPF contributions, including full-time, part-time and casual employees, are covered by the Wage Credit Scheme (WCS).
3. Employers in the following government related-entities or entities not registered in Singapore, are not eligible for the WCS:
 - a. Local Government Agencies, including Organs of State, Ministries and Departments, Statutory Boards
 - b. Government and Government-Aided Schools
 - c. People's Association Services and Grassroots Units
 - d. High Commissions, Embassies, Trade Offices, Consulates
 - e. Unregistered Local/Foreign Entities
 - f. Foreign Military Units
 - g. Representative offices of Foreign companies, Foreign Government Agencies, Foreign Trade Associations, Foreign Chambers, Foreign Non-profit Organisations, and Foreign Law Practices
 - h. Bank Representative Offices/ Insurance Representative Offices/ Other Financial Representative Offices (registered with MAS)
 - i. News Bureaus (which are representative offices)
 - j. International Organisations

What wage increases qualify for WCS payouts?

4. Wage increases are computed on an annual basis, based on the difference between the gross monthly wage of an employee in the qualifying year and the gross monthly wage of the employee in the preceding year. For each qualifying year, WCS payouts will be paid to the employer for all the months in the year in which CPF contributions are made by him for the employee. For the fourth payout, new wage increases given to employees in 2016 over 2015, as well as sustained wage increases previously given to employees in 2015 over 2014, will qualify for WCS payouts. All wage increases and sustained wage increases must be at least \$50 to qualify for WCS payouts.

When and how will employers receive WCS payouts?

5. For each year that an employer qualifies for WCS payouts, he will receive the WCS payouts at the end of March in the subsequent year, via direct credit to his GIRO bank account for income tax/GST, or by cheque. The Inland Revenue Authority of Singapore (IRAS), which is the administrator of the Wage Credit Scheme, will notify

the employer of his payout by post. Employers do not need to apply to receive the WCS payouts.

When do employers have to pay CPF contributions?

6. CPF contributions are due at the end of each month. However, employers have a grace period of 14 days to pay CPF contributions after the end of the month. If CPF contributions are not paid on time, employers will be sent a reminder to pay the outstanding CPF contributions, and late payment interest would apply.