



## Introduction to Tiger Consulting Singapore (Legal name- Tiger Consulting Pte Ltd)

### Tiger Consulting Pte Ltd.

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### Key Country Facts

#### Official Language

Being a country that consists of multinational communities, Singapore has varieties of languages. English is the official language for business and education.

**Currency:** Singapore dollar (SGD)

**Time Zone:** UTC +8

**Capital City:** Singapore is a city, state, and country.

**Laws and Customs:** Singapore was once a British colony. Its laws and customs have their roots in the British system combined with Chinese, Malay, and Indian culture, customs, and practices.

**Cultural observations** A blend of 3 races (Chinese, Malay, Indian) living and working in harmony. Singapore is a hi-tech, wealthy city-state in Southeast Asia, also known for the conservatism of its leaders and its strict social controls. The country comprises the main island and approximately 50 smaller islands. The main island is linked to the southern tip of Malaysia by a causeway and bridge.

### Establishing a company/legal entity in Country

- Employment:** Singaporean citizens and Singapore permanent resident cardholders may work at will. Foreign workers and expatriates must possess valid visas, work passes, and employment passes prior to commencing work.
- Working Hours:** 9-5 Mon-Fri
- Banking and payments:** Singapore is a high-tech English-speaking banking centre with sophisticated state-of-the-art banking systems and internet connectivity.
- Visa's & work permits:** Foreigners and expatriates who wish to work in Singapore are required to possess permitted passes from the Ministry of Manpower (MOM). The work permit passes are varied based on the worker's situation. Standard passes include working permit, S Pass, Employment Pass, and Personalized Employment Pass. The type of pass granted is based on the candidate's salary range and their skills and knowledge. Pass holders may apply for permanent resident status if they decided to make Singapore their permanent home.

### Public Holidays

- |                    |                                     |
|--------------------|-------------------------------------|
| • New Year's Day   | 1 January                           |
| • Chinese New Year | (date will move slightly each year) |
| • Chinese New Year | (date will move slightly each year) |
| • Good Friday      | (date will move slightly each year) |
| • Labor Day        | 01 May                              |
| • Vesak Day        | (date will move slightly each year) |
| • Hari Raya Puasa  | (date will move slightly each year) |
| • National Day     | 09 August                           |
| • Hari Raya Haji   | (date will move slightly each year) |
| • Deepavali        | (date will move slightly each year) |
| • Christmas Day    | 25 December                         |

### Tax & Social Security

Income Tax Information: Singapore income tax tables are a graduated scale based on taxable earnings. The tax rates range from 0-21%. Income tax filing is simple, automated, and web-based. There is no income tax deducted from an employee's monthly salary payments. Employees pay their own income taxes.

#### Inland Revenue Authority of Singapore (IRAS)

Employers have the obligation to prepare an annual wage report Form IR8A and Appendix 8A, Appendix 8B, or Form IR8S(where applicable) for their employees. The documents must be passed to the employees by the 1<sup>st</sup> of March in the year following the employment year (01 Jan-31 Dec). Employees use these reports to prepare and file their income tax returns.

#### Social Security (In Singapore called Central Provident Fund - CPF)

CPF is a comprehensive social security savings plan that provides working Singaporeans with a sense of security and confidence in their older age. The scope and benefits of CPF encompass the following:

- Retirement
- Healthcare
- Home Ownership
- Family Protection
- Asset Enhancement

Singaporean and permanent residents are eligible to participate in CPF. Foreigners are not eligible. Permanent residents and their employers will make contributions to CPF on a monthly basis. The deposits go into 3 accounts:

Disclaimer

- Ordinary Account: Funds to buy home, CPF insurance, and investment
- Special Account: For older age and retirement investment
- Medisave Account: Hospitalization and approved medical insurance

The employer is required to pay the employer's and employee's share of CPF contributions monthly for qualified employees (Singapore citizens and Singapore permanent residents) at the rates set in the CPF Act. The contributions payable are based on the employee's actual wages earned for the month. The employee's share will be recovered from the employee's salary. The rates for the CPF fall into 3 categories:

- Full employer and employee contribution – Singapore citizen and permanent resident more than 3 years
- Graduated employer and employee contribution –1<sup>st</sup> and 2<sup>nd</sup> year permanent resident
- Full employer and graduated employee contribution –1<sup>st</sup> and 2<sup>nd</sup> year permanent resident with MOM approval

CPF contributions are based on several factors including age, residency status, and type of earnings. Foreigners are not eligible to participate in the Singapore CPF system. Most participants contribute 20% of salary with a maximum contribution of SGD 1000. The employer contributes 16% of an employee's salary with a maximum contribution of SGD 800. The contribution rates are subject to change.

## Reporting requirements

<b>Monthly:</b>	Payroll
<b>Yearly:</b>	Accounting/Audit
<b>Starters &amp; Leavers:</b>	Monthly as event occurs
<b>CPF:</b>	Monthly filing 14 <sup>th</sup> of the next month
<b>Annual Tax Filing:</b>	-Employers that are not on the Auto-Inclusion scheme (AIS) for Employment Income have to provide the IR8A form to employees by 1 <sup>st</sup> Mar every year. -Employees to file income tax return by 15 <sup>th</sup> April of the year

## Employment Law

Employers are required to pay a Skills Development Levy (SDL) on behalf of each employee they hire inclusive of permanent, casual, part-time, temporary, or foreign employees rendering their services wholly or partly in Singapore. Employer will contribute up to the first \$4,500 of gross monthly remuneration at a levy rate of 0.25%, subject to a minimum of \$2. Rates are subject to change.

## Employees

<b>Payslips:</b>	Monthly available on web-site, pdf or paper
<b>Payslip requirements:</b>	(sample payslip)

Singapore - Sample Company Monthly Payroll Details Sep-2013							
Employee Name: XXX		DOB: 04/09/1973		Bank Name: DBS Bank		Bank Account: 15589562	
Employment Start Date: 02/09/2013		NRC: Singaporean		Job Title: Area Manager		Phone:	
XXX Singapore 232522							
*****Earnings*****		*****Deductions*****					
Month	Basic Salary	Total Income	CPF ee	CPF er	SOL	Total Deductions	Net Pay
Jan-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Feb-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mar-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Apr-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
May-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Jun-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Jul-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Aug-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sep-2013	8,000.00	8,000.00	1,000.00	800.00	11.25	1,000.00	7,000.00
Oct-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nov-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dec-2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>8,000.00</b>	<b>8,000.00</b>	<b>1,000.00</b>	<b>800.00</b>	<b>11.25</b>	<b>1,000.00</b>	<b>7,000.00</b>
This is a computer generated payslip. No signature is required.							Payroll Services Provided by
							
							Tiger Computing Pte Ltd 545 Orchard Road, #13-04 Far East Shopping Center, Singapore 238862 T: (65)6737-8528 F: (65)6737-8551

**Holiday allowance:**

Full-time employees are paid for public holidays.

**Maternity:**

Maternity Leave under labour act (An employee, who is covered under the Employment Act, but not under the Child Development Co-Savings Act, will be entitled to 12 weeks of maternity leave. She will be paid by her employer for the first eight weeks of maternity leave if she has fewer than two living children (excluding the newborn), and she has served her employer for at least 3 months before the birth of the child. The last four weeks of maternity leave can be taken flexibly over a 12-month period from the child's birth)

Maternity leave under Child Development Co Savings Act (CDCA)(An eligible employee is entitled to absent herself from work four weeks immediately before and 12 weeks immediately after delivery, totalling 16 weeks.

Where there is a mutual agreement with her employer, an employee can take the last eight weeks (9th to 16th week) of maternity leave flexibly over a 12-month period from the child's birth. The number of days of maternity leave that can be taken flexibly is equivalent to eight weeks' worth of working days, up to a maximum of 48 days.)

**Paternity:**

From 1 May 2013, working fathers are allow to share 1 week out of the 16 weeks maternity subject to the agreement of the mother and meet the following criteria under CDCA:

- The child is a Singapore citizen born on or after 1 May 2013
- Mother qualifies for government paid maternity leave
- Father is lawfully married to the child's mother

**Sickness:**

The number of days of paid sick leave a new employee is entitled to depend on his service period:

No of months of service completed of a new employee	Paid Outpatient non-hospitalization leave (days)	Paid hospitalization leave (days)*
3 months	5	15
4 months	5 + 3 = 8	15 + 15 = 30
5 months	8 + 3 = 11	30 + 15 = 45
6 months	11 + 3 = 14	45 + 15 = 60
thereafter	14	60

\* An employee is deemed to be hospitalized if he/she is certified by a doctor to be in need of hospitalization. He does not necessarily have to be warded in a hospital.

**Benefits to the employee in country**

## Mosque Building and Mendaki Fund (MBMF)

MBMF comprises the Mosque building component, Mendaki component, and Religious education component for the Muslim community. All working Muslim Singapore citizens, permanent residents, and foreign workers are required to contribute to MBMF (unless they choose to opt out) based on the below wage scale:

Monthly Total Wages <sup>1</sup>	Monthly Contribution (with effect from 1 March 2009)
Less than \$1,001 <sup>2</sup>	\$2.00 (no change)
\$1,001 to \$2,000	\$3.50
\$2,001 to \$3,000	\$5.00
\$3,001 to \$4,000	\$12.50
\$4,001 and above	\$16.00

## Singapore Indian Development Association (SINDA)

Employees belonging to the Indian community including Bangladeshis, Bengalis, Parsees, Sikhs, Sinhalese, Telegus, Pakistanis, Sri Lankans, Goanese, Malayalees, Punjabis, Tamils, and people originating from the Indian sub-continent but excluding workers on foreign levy scheme and those who opt out.

Wage Level	Minimum Monthly Contribution
Up to \$600	\$1.00
Above \$600 - \$1,500	\$3.00
Above \$1,500 - \$2,500	\$5.00
Above \$2,500	\$7.00

## Chinese Development Assistance (CDAC) Fund

Employees belonging to the Chinese Community (Singapore citizens and Singapore permanent residents) may contribute based on the below wage scale unless they choose to opt out.

Wage Level	Minimum Monthly Contribution
Less than \$2,000	\$0.50
\$2,000 and above	\$1.00

**Pensions:** The only government mandated pension system in Singapore is the Central Provident Fund (CPF) system. It is a defined contribution system consisting of funds contributed by the employee, the employer, and the interest accumulated on the contributions.

## Expatriates:

### **Accommodation**

There are many choices of accommodation (short term and long term) available in Singapore including hotels, condominiums, and apartments.

Hotels – Hotels are abundant in Singapore ranging from budget to luxury. The prices range from SGD 100 per night to SGD 600 (and higher) per night.

Condominiums and Apartments – Housing in Singapore ranges from government provided housing (Housing Development Board – HDB) to modern high-rise condominiums. Monthly rentals range from SGD 3000 to upwards of SGD 15000.

### **Transportation**

Disclaimer

Singapore provides one of the most (if not the most) advanced transportation system in Asia including Metropolitan Rail Transportation (MRT), bus, and taxi. The MRT and bus systems are high tech and integrated with schedules and routes available on the internet and accessible by smart phones. The map of the MRT service can be retrieved from <http://www.smrt.com.sg/Trains/NetworkMap.aspx>.

### ***Food***

Singapore boasts a huge variety of food ranging from eastern to western delicacies. Food stalls and upscale restaurants are everywhere. The local food (aka “hawker food”) is quite popular due to the wide selection and price.