# GMS Flash Alert



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# Singapore - Qualifying Salary Criteria for Dependant Privileges Raised from 1 January 2018

Singapore's Ministry of Manpower (MOM) has announced a raise in the qualifying salaries for Employment Pass (EP) and S Pass (SP) holders to sponsor their dependants, effective 1 January 2018.<sup>1</sup>

## WHY THIS MATTERS

Employers and applicants applying for new work passes need to make sure that they meet the revised criteria for bringing dependants to Singapore before the change takes effect on 1 January 2018.

# **Context: Dependant Privileges and Qualifying Salary Criteria**

Dependant privileges are accorded to EP and SP work pass-holders, but there are minimum salary requirements to satisfy and it must be established that the work pass-holders are able to support their accompanying dependants under a Dependant Pass (DP) or Long Term Visit Pass (LTVP).

Following the recent increases in the qualifying salaries for the EP and SP,<sup>2</sup> it is not surprising that the DP and LTVP thresholds have followed suit. The current qualifying salaries for the DP and LTVP are S\$5,000 and S\$10,000 per month respectively, and took effect from 1 September 2015. Previously, the qualifying salaries for the DP and LTVP were S\$4,000 and S\$8,000 per month respectively.

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#### **Changes to Take Effect from 1 January 2018**

- a) EP and SP applicants will need to earn a minimum salary of S\$6,000 per month to sponsor their spouses or children on a DP.
- b) EP and SP applicants will need to earn a minimum salary of S\$12,000 to be able to bring their parents to Singapore on a LTVP.

These changes only apply to new DP or LTVP applications lodged from 1 January 2018 onwards. DP and LTVP passes that are issued or approved before 1 January 2018 will not be affected by these changes. DP and LTVP passes that need to be renewed and were approved or issued before 1 January 2018, will also continue to be assessed based on the existing criteria if the main work pass-holder remains with the same employer. Where there is a change in employer, the MOM requires a new work pass application to be lodged and accordingly, the new salary criteria would apply to applications received after 1 January 2018.

### KPMG NOTE: Employer and Applicant Action Steps to Consider

- Employers should make sure that their new applicants are aware of the revised qualifying salary criteria for dependant privileges prior to accepting an employment offer or assignment to Singapore.
- Review work passes eligible for renewal and lodge the renewal applications before 1 January 2018, so that DP and LTVP applications are assessed on existing criteria.

### FOOTNOTES:

1 For further information, please refer to the MOM's webpage on <u>Changes to Dependant Privileges for Work Pass</u> <u>Holders</u>.

2 For related coverage, see GMS *Flash Alert* 2016-102 (13 September 2016).

\* \* \* \*

S\$1	= US\$0.737
S\$1	$= \pm 0.556$
S\$1	= €0.628
S\$1	= ¥82.94
S\$1	= A\$0.978

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# The information contained in this newsletter was submitted by the KPMG International member firm in Singapore.

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