



DEZAN SHIRA & ASSOCIATES

Your Partner for Growth in Asia

Gateway to Singapore: Guide to Singapore Employment Permits 2021



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Foreigners in Singapore – in numbers



Source: <https://www.mom.gov.sg/documents-and-publications/foreign-workforce-numbers>

Pass type	Dec 2019	Dec 2020
Employment Pass (EP)	193,700	177,100
S Pass	200,000	174,000
Work Permit (Total)	999,000	848,200
Other work passes	34,700	32,200
Total foreign workforce	1,427,400	1,231,500
Total foreign workforce (excluding FDWs)	1,165,600	984,100
Total foreign workforce (excluding FDWs and Work Permits in CMP sectors)	795,500	673,100

FAIR CONSIDERATION FRAMEWORK (FCF)

The Fair Consideration Framework (FCF) indicates the requirements for all employers in Singapore to consider the workforce in Singapore fairly for job opportunities. Employers should not discriminate on characteristics that are not related to the job, such as age, gender, nationality or race.

FCF job advertising requirement

Employers submitting Employment Pass and S Pass applications must first advertise on [MyCareersFuture](#) and fairly consider all candidates.

What is MyCareersFuture?

MyCareersFuture is a portal that aims to provide Singapore Citizens and Permanent Residents with job opportunities. The portal was developed by Workforce Singapore, in partnership with Government Technology Agency.

Employers must advertise jobs **for at least 28 days** before hiring foreigners.

Exemptions

- Less than 10 employees
- Fixed salary of over S\$20,000/month
- Local transferee
- ICT (Intra-Company Transfer)

Employment Pass

The **Employment Pass** allows foreign professionals, managers and executives to work in Singapore.

SALARY REQUIREMENTS

1. Minimum salary S\$4,500:
 - In May 1, 2020 was raised from S\$3,600 to S\$3,900.
 - From September 1, 2020 to S\$4,500
2. Older candidates, in their 40s, should make double.
3. Financial sector employees S\$5,000

It is issued for a period of normally up to 2 years

SINGAPORE

Minimum salary for Employment Pass to rise to \$4,500; even higher qualifying salary of \$5,000 for financial services



S Pass

The **S Pass** allows mid-level skilled staff to work in Singapore.

REQUIREMENTS

- At least S\$2,500
- Degree, diploma or technical certificate (at least 1 year)
- Relevant work experience

There is a **levy** that must be paid using Giro:

- Up to 10% of workforce: SGD 330
- Above 10% to 20%: SGD 650

QUOTA

- 10% of the company's total workforce in the services sector.
- 20% in the manufacturing sector (18% in 2022, 15% in 2023)
- 18% in all other sectors.

Providing insurance is required. It is issued up to 2 years



Personalized Employment Pass (PEP)

- Not linked to a specific employer and offers more flexibility
- An overseas last drawn fixed monthly salary of at least \$18,000 within 6 months before application.
- EP holder with a fixed monthly salary of at least \$12,000.
- Cannot start a business, not suitable for freelancers
- Duration up to 3 years
- It is not renewable, once issued once.
- PEP holders do not need to re-apply for a new pass when changing jobs, just need to notify MOM

How to keep a PEP?

You cannot be unemployed in Singapore for more than 6 months.

You must earn a fixed salary of at least \$144,000 per calendar year



EntrePass

The **EntrePass** allows eligible foreign entrepreneurs to initiate a business in Singapore that is venture-backed or possesses innovative technologies.

EntrePass is open to all nationalities.

Requirements:

- Have started, or intend to start, a private limited company registered with ACRA that is venture-backed or owns innovative technologies
- If registered, the company must be less than 6 months old on the date you apply.
- If not registered, you can do so after you know the outcome of your application.

ENTERPRENEUR

- Funding of at least \$100,000 from a Gvt-recognized VC or business angel
- Incubatee at a Government-recognized incubator or accelerator
- Has business network and entrepreneurial track record



EntrePass

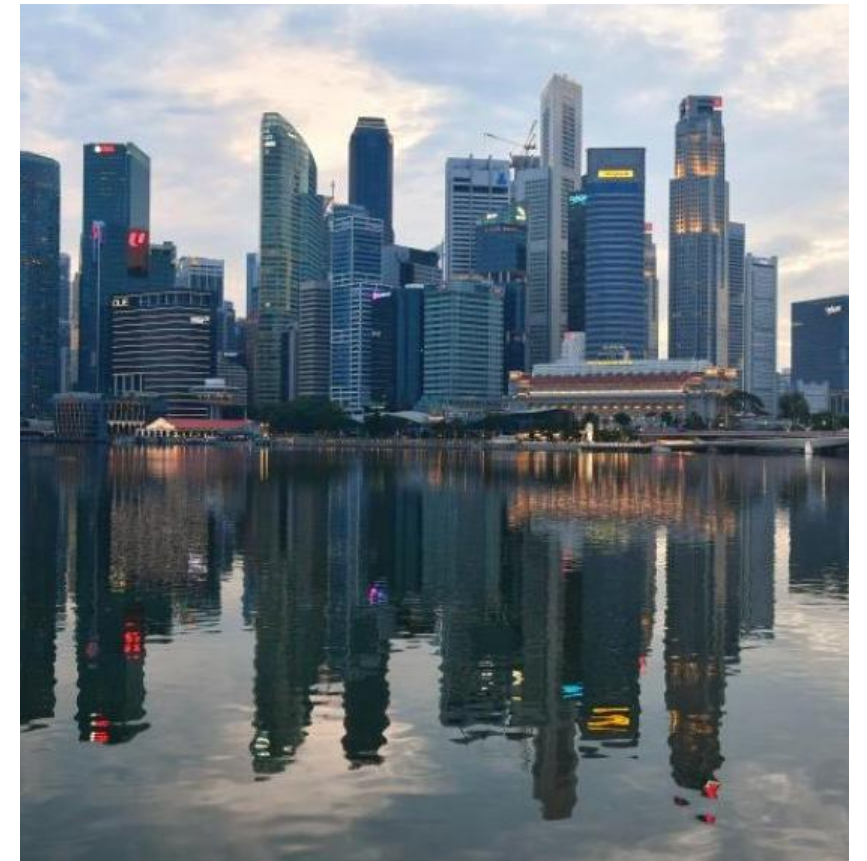
INNOVATOR

- **Holds an IP** registered with an approved national IP institution
- **Research collaboration**, related to the applicant's business, with an IHL or research institute in Singapore under the Agency for Science, Technology and Research (A*STAR), an Institute of Higher Learning (IHL) in Singapore.
 - The research institution needs to provide a contact person to verify details of the research collaboration.
 - You must be involved with ongoing research collaboration.
 - Contract of services is not considered to be research collaboration
- **Extraordinary achievements** in the area of expertise with a venture-back business or that owns innovative technologies.

INVESTOR

Willingness to invest a substantial amount of money in local tech startups and prove that you have:

- A **strong track record of investing** in and driving growth
- **Plans** (i.e. quantum, period and pipeline) to invest
- **At least 8 years' experience** as a senior management professional or executive in a large corporation related to startup investment



Tech.Pass

It is administered by the **Singapore Economic Development Board** and is suitable for tech entrepreneurs, leaders or technical experts. Individuals can apply for the pass directly. There is a quota of 500.

- Have a last drawn fixed monthly salary (in the last 1 year) of at least S\$20,000.
- Have at least five cumulative years of experience in a leading role in a tech company with a valuation/market cap of at least US\$500mil or at least US\$30mil funding raised.
- Have at least five cumulative years of experience in a leading role in the development of a tech product that has at least 100,000 monthly active users or at least US\$100mil annual revenue.



Taxation in Singapore

- If you have been in Singapore for **at least 183 days in a calendar year**, you are considered a tax resident and you will be taxed on all income earned in Singapore
- **If you are issued with a work pass that is valid for at least one year, you will be considered a tax resident upfront.** However, your tax residency status will be reviewed when processing the tax clearance based on tax residency rules.
- Non-residents, who are in Singapore for less than 183 days a year, will be taxed only on income earned in Singapore. The employment income will be taxed at 15% or the progressive resident rates, whichever is higher
- Director's fees and other income such as rent earned in or derived from Singapore will be taxed at the prevailing rate of 22%
- Singapore follows a progressive resident tax rate starting at 0% and ending at 22% above S\$320,000.





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