



April 2024



Singapore

IRAS Acceptable Rates for Per Diem Allowance 2024

The rates for per diem allowances applicable to Singapore-based employees on business trips overseas, and overseas employees on business assignments travelling into Singapore in year 2024 have been updated.

The per diem allowance rate more than IRAS acceptable rate paid to employee will be included as part of the taxable income of the employee in the Year of Assessment 2025.

The acceptable rates determined by IRAS are strictly for income tax purpose.

Please refer to the official website of IRAS for more details. You may click on the link below to read the same.

https://www.iras.gov.sg/docs/default-source/individual-income-tax/employers/2024-acceptable-rates-for-per-diem-allowances.pdf?sfvrsn=190558fb_0

Provident and Tax (PAT) Submission Update for Year of Assessment (YA) 2024

CrimsonLogic released an announcement on 5th January 2024 to delay the transitioning to API for AIS submissions pertaining on the announcement released on 1st December 2023.

Hence the IRAS File Specifications 14.0 is still valid for the tax submissions for YA 2024.

CrimsonLogic will update on the go live date for the new mode of submission via API using Corppass after March 2024.

This announcement can be found at CrimsonLogic official website under 'Happenings' option. You may click on the link below to read the same.

<https://pat.com.sg/cpfweb/pfk/PfkMainServlet?pContents=cpf/CpfWalkinServlet&pAction=FIRST&pPortalId=ICPFIRAS>

SEA Quarterly Chronicles

Payroll & Compliance

Budget Statement 2024

Singapore 2024 Budget Statement was delivered by Deputy Prime Minister and Minister for Finance, Mr. Lawrence Wong on 16th February 2024.

There are 2 main highlights for employer's information:

- 1) Increase Senior Workers' CPF contribution rates from 1st January 2025..CPF contribution rates for employees aged 55 to 65 will be increased by 1.5%. The increase in contribution rates will be fully allocated to the CPF Special Account ("SA") or Retirement Account ("RA") for the retirement purpose. Meanwhile, a one-year CPF Transition Offset equivalent to 50% of the additional contribution will be automatically granted to employers to mitigate the increased business cost.
- 2) Uplifting Lower-wage Workers
 - Increase the Workfare Income Supplement Scheme payouts up to SGD 4,900 per year and raise qualifying monthly wage cap to SGD 3,000 from Jan 2025.
 - Raise the Local Qualifying Salary (LQS) to SGD 1,600 per month from July 2024.
 - Raise co-funding levels for the Progressive Wage Credit Scheme (PWCS) this year to a maximum of 50% and raise the PWCS wage ceiling to SGD 3,000 in 2025.

The full details of the Budget Statement 2024 are available on the official website of Ministry of Finance. You may click on the link below to read the same.

<https://www.mof.gov.sg/singaporebudget/budget-2024/budget-statement>

CPF Automatic Refund to Employer

According to FAQs published on the official website of Central Provident Fund Board ("CPFB"), CPF contributions paid in excess of the CPF Annual Limit will be automatically refunded to the employer's bank account under the Direct Debit Arrangement maintained with CPF Board from February 2024 onwards. For excess CPF contributions paid in 2023, they will be refunded in 2024.

The CPF Board will notify both the employer and the employee on the refund details after the transaction is processed. Employer is required to refund the employee's share of excess contributions to employee.

The FAQ is available on the official website of CPF Board. You may click on the link below to read the same.

<https://www.cpf.gov.sg/employer/faq/compliance-and-rectifications/applying-for-refund-of-cpf-contributions/why-did-i-receive-a-refund-of-excess-cpf-contributions-paid-to-my-employee-without-applying-for-a-refund>

Highlight for Legislative Update Which was Announced Formerly

Changes in Foreign Worker Levy (FWL) Rates

As announced in the 2022 Budget Statement, the FWL rates for Work Permit Holders (WPHs) in the Construction and Process sectors will be adjusted from 1st January 2024. The Man-Year Entitlement (MYE) framework in both sectors will also be dismantled.

Other than that, the Dependency Ratio Ceiling (DRC) for Construction and Process sectors are expected to be reduced from 87.5% to 83.3%.

The details are available in Annex C-4: Foreign Workforce Policies that is published on the official website of the Ministry of Finance, Singapore. You may click on the link below to read the same.

<https://www.mof.gov.sg/docs/librariesprovider3/budget2022/download/pdf/annexc4.pdf>

SEA Quarterly Chronicles

Payroll & Compliance

Malaysia

Increase Tax exemption limit of Childcare Allowance

Prior to the heads up of Budget 2024 announcement, Income Tax (Exemption) 2009 (Amendment) Order 2023 (P.U.(A) 399/2023) was published and confirmed the tax exemption limit of childcare allowance under prerequisites from employment will be increased from MYR 2,400 to MYR 3,000 per year. This will be effective from year of assessment 2024.

The details are available on the official website. You may click on the link below to read the same.

[https://lom.agc.gov.my/act-view.php?language=BI&type=pua&no=P.U.%20\(A\)%20399/2023](https://lom.agc.gov.my/act-view.php?language=BI&type=pua&no=P.U.%20(A)%20399/2023)

Specification for MTD Calculation using computerised calculation for 2024

Further to the pre-announcement of Monthly Tax Deduction (MTD) 2024 and the Increase Tax Exemption Limit of Childcare Allowance, Inland Revenue Board of Malaysia (IRBM) released the Specification for MTD Calculation Using Computerized Calculation for 2024.

There are no additional changes that impact the MTD calculation. However, extra information on computerised calculation for position of c-suite and three examples on the treatment of K1 and LP1 in the MTD formula, whereby employee claiming voluntary EPF contribution through Form TP1 are being added.

The details of the specification are available on the official website. You may click on the link below to read the same.
<https://www.hasil.gov.my/media/hgifbzzy/spesifikasi-kaedah-pengiraan-berkomputer-pcb-2024.pdf>

Year-End Forms for Year of Assessment 2023

Inland Revenue Board of Malaysia (IRBM) released sample form E 2023, C.P.8D information layout, E2023 explanatory notes and EA & EG guide notes on the official website.

It is mandatory for employers of all categories to submit Form E (through e-E available from 1st March 2024) and C.P.8D (through e-Data Prais / e-CP8D) online. The due date for Form E submission is 31st March 2024 and it will only be considered complete if C.P.8D is submitted on or before this due date. Employers who have submitted information through e-Data Prais or e-CP8D before 25th February 2024 are no longer required to complete and furnish C.P.8D via Form E.

The following are the changes and updates:

Form E 2023

- a) The reference of year 2022 is changed to year 2023.
- b) Field 10 "Telephone No." and Field 11 "Handphone No.", either one is compulsory to be completed during submission via e-Filing.
- c) Field 12 "E-mail" is compulsory to be completed.
- d) Field 13 "Return of C.P.8D", the option of submission using USB drive and via e-mail are being removed.

C.P.8D

- a) Submission using Excel file format is no longer acceptable.
- b) The following fields are compulsory to be completed:
 - i. Name of employee (name as per identity card).
 - ii. Identification / passport no. (if employee does not have an identification no., the column must be filled with the number 000000000000).
 - iii. Category of employee (1 stands for single, 2 stands for married and husband or wife is not working, 3 stands for married and husband or wife is working, divorced or widowed, or single with adopted child).
 - iv. Employee status (new field, option 1 stands for management of the organization, 2 stands for permanent, 3 stands for contract, 4 stands for part time, 5 stands for interns and 6 stands for others).
 - v. Date of retirement / end of contract (new field, fill up retirement date according to the employment contract or according to any written law or fill in the contract ended date according to the employment contract; if the employee has terminated, quit or dismissed in the year of remuneration, fill in the termination date).
 - vi. Tax borne by employer (1 stands for yes and 2 stands for no).

Form EA

- a) The reference of year 2022 is changed to year 2023.

SEA Quarterly Chronicles

Payroll & Compliance

Announcement of the forms released. You may click on the link below to read the same.

<https://www.hasil.gov.my/media/nexjuhwi/20240124-kenyataan-media-hasil-program-memfail-borang-nyata-cukai-keuntungan-modal-bnckm-mulai-1-mac-2024-di-portal-rasmi-hasil.pdf>

E-forms and the explanatory notes can be downloaded from the following link:

<https://www.hasil.gov.my/en/forms/download-forms/download-form-employer>

New Tax Clearance Form CP21 and Form CP22A

According to Inland Revenue Board of Malaysia (IRBM), it is mandatory to submit tax clearance Form CP21 and Form CP22A online through MyTax portal using e-SPC application, effective from 1st January 2024.

Amendment or additional or cancellation application must be submitted to the IRBM office. However, application for amendment or additional or cancellation by email or through online customer feedback form is allowed if the original SPC application has been submitted via e-SPC.

Manual forms can be downloaded and submitted to IRBM. New fields are added in both forms. Changes in Form CP21 –

Notification by Employer of Departure from the Country of an Employee include:

- CP21 Pin. 1/2021 changed to CP21 Pin. 1/2023.
- Boxes are added to indicate the form is new, amendment or additional.
- Reference to Police and Army number in Identification No. are being removed.
- Income Tax No. is renamed as Tax Identification No.
- Email address of employee is added.
- Boxes are added to indicate whether tax borne by employer.
- Boxes are added to indicate whether accepted offer under employee separation scheme.
- For gratuity received, period of completed year of service and tax-exempted gratuity are added.
- For compensation for loss of employment received, period of completed year of service and tax-exempted compensation are added.
- Email address of authorised officer is added.
- Re-arranging fields and other cosmetic changes.

Form CP21:

https://www.hasil.gov.my/media/t2tnxopc/cp21_pin1_2023.pdf

Changes in Form CP22A - Tax Clearance Form for Cessation of Employment of Private Sector Employees include:

- CP22A Pin. 1/2021 changed to CP22A Pin. 1/2023.
- Boxes are added to indicate the form is new, amendment or additional.
- Boxes are added to indicate the type of termination.
- The date employer received the notification on employee death is added.
- Boxes are added to indicate whether tax borne by employer.
- Boxes are added to indicate whether accepted offer under employee separation scheme.
- Reference to Police and Army number in Identification No. are being removed.
- Income Tax No. is renamed as Tax Identification No.
- Reference to Police and Army number in Husband / Wife Identification No. are being removed.
- Income Tax No. for Husband / Wife is renamed as Tax Identification No.
- Email address of employee is added.
- Reference to Police and Army number in Identification No. for legal representative are being removed.
- Relationship of legal representative is added.
- For gratuity received, the period of completed year of service and tax-exempted gratuity are added.
- For compensation for loss of employment received, the period of completed year of service and tax-exempted compensation are added.
- Email address of authorised officer is added.
- Re-arranging fields and other cosmetic changes.

Form CP22A:

https://www.hasil.gov.my/media/3xokm2zw/cp22a_pin1_2023.pdf

Philippines

Guidelines on implementation of Increase in the PAG-IBIG (HDMF) Maximum Fund Salary (MFS)

The increase in the Maximum Fund Salary (MFS) from P5,000 to P10,000 was approved by the Board of Trustees at the regular board meeting held on 16th February 2023 and Senior Management Committee (SMC) held on 13th June 2023.

The increase in MFS is applicable to all Pag-IBIG I members under mandatory and voluntary coverage effective February 2024 onwards.

The contribution rate of all members shall be as follows:

SEA Quarterly Chronicles

Payroll & Compliance

Range	Contribution Rate	
	Employee	Employer (if any)
Fund Salary		
PHP 1,500 and below	1.00%	2.00%
Over PHP 1,500	2.00%	2.00%

The MSF to be used in computing the employee and employer savings has been increased from P5,000 to P10,000 taking into consideration financial calculations and rates of benefits in accordance with Section 7, Republic Act No. 9679.

Employers shall remit two percent (2%) of the MFS of the contributing member as counterpart contribution.

Circular No. 274 and all other previous issuances inconsistent herewith are repealed, amended, or modified accordingly with Circular No. 460. You may click on the link below to read the same.

[Circular No. 460 - Guidelines on the Pag-IBIG Fund's Implementation of Increase in the MFS Effective February 2024.pdf \(pagibigfund.gov.ph\)](#)

Extension of the Deadline for the Alphalist Submission of Employees from Whom Tax is Withheld

Taxpayers are required to use a new version of the Alphalist Data Entry and Validation Module with the introduction of the 5% tax credit incentive under Republic Act (RA) No. 9505, otherwise known as the Personal Equity and Retirement (PERA) Act of 2008, and the revised income tax rates for taxable year 2023 under RA No. 10963 (TRAIN Law).

The deadline of the alphalist for the taxable year 2023 using the new version of the Alphalist Data Entry and Validation Module submission is hereby extended up to 28th February 2024.

A separate tax advisory shall be posted on the official website of the Bureau of Internal Revenue (BIR) informing taxpayers of the availability of the updated version of the said module.

Furthermore, taxpayers with employees availing 5% tax credit under the PERA Act who have not yet submitted their alphalist for the taxable year 2022, the deadline for submission shall be 30 days from the date of posting of the tax advisory on the BIR website announcing the availability of the revised data entry module.

The details are available on the official website. You may click on the link below to read the same.

[RMC No. 16-2024.pdf \(bir.gov.ph\)](#)

Amending Provisions of RMC 16-2024 and Released New Version of Alphalist Data Entry and Validation Module (7.2) Online Announcements

Prior to the extension of deadline for the alphalist submission, Bureau of Internal Revenue Philippines has issued RMC no.25-2024 on 13th February 2024 to supersede RMC 16-2024. If the alphalist was submitted in old version of the data entry module, taxpayer need to re-submit the same using the updated version of the module.

The details are available on the official website. You may click on the link below to read the same.

[RMC No. 25-2024.pdf \(bir.gov.ph\)](#)

Revised files structures and naming convention (Annexure A&B) information links can be found from below:

Annex A - [RMC No. 25-2024 Annex A.pdf \(bir.gov.ph\)](#)

Annex B - [RMC No. 25-2024 Annex B.pdf \(bir.gov.ph\)](#)

Subsequently, the availability of the new version of Alphalist Data Entry and Validation Module has been published on 16th February 2024.

The enhanced version now includes 5% tax credit incentive of PERA and revised income tax rates for year 2023.

Taxpayers shall submit the alphalist of employees from whom taxes were withheld within 30 days from the date of Tax advisory publication.

The tax advisory is available on the official website. You may click on the link below to read the same.

[Alphalist Data Entry and Validation Module Version 7.2.pdf \(bir.gov.ph\)](#)

SEA Quarterly Chronicles

Payroll & Compliance

Extension of Deadline to submit Certificate of Compensation Payment / Tax Withheld (BIR Form 2316)

The deadline for the submission of BIR Form 2316 copies has been extended from 28th February 2024 to 31st March 2024. Submission of BIR Form 2316 copies without the signature of the concerned employee is no longer acceptable.

The following documents shall be required by all Revenue Districts Officers.

- i. Sworn Declaration (Annex "C")
- ii. Certificate of the List of employees qualified for Substituted Filing of the Income Tax Return (Annex "F")

Taxpayers who have already submitted BIR copies and said certificate using old format of 2018 version shall no longer resubmit using the 2021 version; if the computation of withholding tax reflected in the said form based on 2023 income tax rates.

The details are available on the official website. You may click on the link below to read the same.

[RMC No. 29-2024.pdf \(bir.gov.ph\)](#)

Tax Identification Number (TIN) Verification Update

Effective 27th February 2024, the Bureau of Internal Revenue (BIR) advised employers that it's no longer required newly-hired employees to verify their Tax Identification Number (TIN) and get a TIN verification slip from the Revenue District Offices (RDOs).

RDOs shall not accept requests for manual TIN verification or issue TIN verification slip for employment purposes excepted the below conditions:

- The online TIN Verification facility is not available, or it is prompted that the user needs to visit the RDO.
- The BIR personnel need to further verify the correctness of the taxpayer registration information.
- The taxpayer has an existing TIN.
- Possession of multiple or identical TINs.

Employers advised to use the BIR's Online TIN Verification facility of the Online Registration and Update System (ORUS) accessible at [ORUS \(bir.gov.ph\)](#) or BIR Chatbot Review to verify the validity and correct ownership of the TIN for newly-hired employees.

The details are available on the official website. You may click on the link below to read the same.

[RMC No. 31-2024.pdf \(bir.gov.ph\)](#)