



"I have therefore decided to make a distribution this year to share part of our surplus with Singaporeans. I will call this surplus sharing initiative the Progress Package (Providing Opportunities through Growth, Remaking Singapore for Success). This is a package for everyone, but it aims to achieve specific social objectives..."

- Prime Minister **Lee Hsien Loong**,
Budget Statement 2006

The **Progress Package** is a surplus sharing initiative that will benefit all Singaporeans. It comprises the following six schemes:

- **Growth Dividends**
Share the Fruits of Growth with all Singaporeans
- **Workfare Bonus**
Reward Low-Wage Workers for Work
- **Utilities-Save, S&CC and Rental Rebates**
Help Lower-Income Households with Living Expenses
- **Top-ups to CPF Special/Retirement & Medisave Accounts**
Help the Elderly meet Retirement and Healthcare Needs
- **Opportunity Funds**
Invest in the Next Generation
- **40th Anniversary NS Bonus**
Recognise the Contributions of our NSmen

Progress Package Overview

1. **Growth Dividends**
2. **Workfare Bonus**
3. **Utilities-Save, S&CC and Rental Rebates**
4. **Top-ups to CPF Special/Retirement & Medisave Accounts**
5. **Opportunity Funds**
6. **40th Anniversary NS Bonus**
7. **How to Sign Up for your Progress Package**

1. Share the Fruits of Growth with all adult Singaporeans—Growth Dividends

All adult Singaporeans will get [Growth Dividends](#). Those who earn less or live in smaller homes will get more Growth Dividends. Close to half of adult Singaporeans will get \$800.

2. Reward Low-Wage Workers for Work—Workfare Bonus

Low-wage Singaporeans aged 40 and above, living in homes with Annual Value of up to \$10,000 can receive a [Workfare Bonus](#) if they are employees or self-employed persons engaged in regular work in 2005 and 2006. The Bonus will be paid in 2 portions of up to \$600 each.

3. Help Lower-Income Households with Living Expenses—Utilities-Save, S&CC and Rental Rebates

Lower-income households will get Utilities-Save (U-Save) rebates to help them cope with living expenses. They will also continue to enjoy Service & Conservancy Charges (S&CC) and rental rebates. Those living in smaller HDB flats will get more rebates.

HDB Flat Type	U-Save Rebates	S&CC Rebates	Rental Rebates
1-room	\$200	4 months	3 months
2-room	\$200	3 months	1.5 months
3-room	\$100	2 months	-
4-room	\$80	1.5 months	-
5-room	\$60	0.5 months	-

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4. Help the Elderly meet Retirement and Healthcare Needs—Top-ups to CPF Special/Retirement & Medisave Accounts

Singaporeans aged 50 and above in 2005 will receive top-ups to their CPF Special/Retirement and Medisave Accounts to help meet their retirement and healthcare needs. The amount of CPF top-ups depends on your age and the Annual Value of your home as at 31 December 2005.

Age	Annual Value of Home \$6,000 or less	Annual Value of Home more than \$6,000 and up to \$10,000	Annual Value of Home more than \$10,000
50-59	\$600	\$400	\$100
60 & above	\$800	\$600	\$200

Note: Half of the amount will go into the CPF Special/Retirement Account, the other half will go into the CPF Medisave Account.

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5. Invest in the Next Generation—Opportunity Funds

Students from lower-income families will get more opportunities for enrichment and learning, such as the purchase of computers and reading materials, and overseas study trips. MOE schools, Junior Colleges/Centralised Institute, ITEs, Special Education schools and self-help groups (CDAC, Mendaki, SINDA and the Eurasian Association) will receive \$50 million in total to create Opportunity Funds.

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6. Recognise the Contributions of our NSmen—40th Anniversary NS Bonus

To mark 40 years of National Service (NS) and recognise the contributions of our national servicemen (NSmen),

Singaporeans who are serving or have served their NS in the SAF, SPF and SCDF will get a one-off NS bonus.

NS status	Amount
<ul style="list-style-type: none">• Full-time national servicemen (NSFs)• Operationally ready NSmen who have not completed their operationally ready national service (ORNS) training cycle	\$100
<ul style="list-style-type: none">• NSmen who have completed their ORNS training cycle• NSmen who are above statutory age (i.e. 40 years old for non-officers and 50 years old for officers)	\$400

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7. How can I Sign Up for my Progress Package?

The Progress Package Scheme is closed.

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"In view of the good economic performance last year and the positive outlook, I have decided to share part of these surpluses with Singaporeans this year...I will distribute Growth Dividends to all adult citizens."

- Prime Minister **Lee Hsien Loong**,
Budget Statement 2006

Growth Dividends share part of the government's surplus with Singaporeans. All adult Singaporeans will receive Growth Dividends. Those who earn less or live in smaller homes will receive more Growth Dividends.

Who can receive Growth Dividends?

To receive Growth Dividends, you must:

- Be a Singapore citizen,
- Be aged 21 years or above as of 31 December 2005; and
- Sign up for the Progress Package by 31 December 2006.

How much Growth Dividends can I receive?

The amount of Growth Dividends you can receive depends on the following:

- (i) the Annual Value of your home in 2005 as assessed by IRAS (based on your NRIC address as of 31 December 2005); and
- (ii) Your Assessable Income for the Year of Assessment 2005 (income earned in calendar year 2004 as assessed by IRAS).

	Annual Value of Home \$6,000 or less	Annual Value of Home more than \$6,000 and up to \$10,000	Annual Value of Home more than \$10,000
Annual Assessable Income \$24,000 or less	\$800	\$600	\$200
Annual Assessable Income more than \$24,000	\$600	\$400	

Note: Annual Value of \$10,000 or less covers about 90% of households. It includes all HDB flats (other than a few very large units), as well as smaller private homes.

Calendar of important dates

Late March 2006 to 1 April 2006	Singaporeans receive notification letters from the CPF Board, informing them of their Progress Package.
1 April 2006	Singaporeans can sign up for their Progress Package through ATMs, website and hard copy forms.
15 April 2006	Deadline to sign up using hard copy sign-up forms to receive Progress Package on <u>1 May 2006</u> .
25 April 2006	Deadline to sign up using ATMs and website to receive Progress Package on <u>1 May 2006</u> .
1 May 2006	Singaporeans who have signed up by the above deadlines (15 and 25 April 2006) receive their Progress Package.
31 May 2006	ATM sign-up option closes. Singaporeans can use the website and hard copy forms to sign up until 31 December 2006.
31 December 2006	Last day to sign up for Progress Package.

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Frequently Asked Questions

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1. Purpose

1.1 Why is the Government giving out Growth Dividends?

The Government is sharing budget surpluses with citizens. This benefit from the nation's progress is possible because Singaporeans have worked together for the future of our country.

1.2 How much will the Growth Dividends cost?

The Growth Dividends will cost \$1.4 billion.

1.3 How many Singaporeans can benefit from the Growth Dividends?

About 2.3 million Singaporeans can benefit from the Growth Dividends.

1.4 Will the Growth Dividends earn bonus dividends, similar to the New Singapore Shares (NSS) and Economic Restructuring Shares (ERS)?

Previously, many Singaporeans chose to encash their NSS and ERS early instead of waiting for the dividends, despite the attractive interest rates offered. Hence, the Growth Dividends will be distributed in the form of cash which can be collected immediately upon allotment.

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2. Eligibility

2.1 Who can receive Growth Dividends?

To receive Growth Dividends, you must

- Be a Singapore citizen,
- Be aged 21 years or above as of 31 December 2005; and
- Sign up for the Progress Package by 31 December 2006.

2.2 How will I know if I am eligible for Growth Dividends?

If you are eligible for the Progress Package (which includes the Growth Dividends), the CPF Board will write to you in late March 2006 informing you of the amounts you can receive for Growth Dividends, Workfare Bonus, CPF top-ups and NS Bonus.

2.3 Can Permanent Residents (PRs) receive the Growth Dividends?

Growth Dividends, like New Singapore Shares and Economic Restructuring Shares, are only given to citizens. This is a privilege of Singapore citizenship.

2.4 I have just become a Singapore Citizen. Am I eligible for Growth Dividends?

As long as you become a Singapore Citizen on or before 31 December 2005, you will be eligible for the Growth Dividends.

2.5 Do I have to make a \$50 contribution for Growth Dividends, similar to ERS?

No, you do not need to make a \$50 contribution. You only need to sign up for the Progress Package and indicate how you wish to be paid.

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3. Amount of Growth Dividends

3.1 How much Growth Dividends can I receive?

The amount of Growth Dividends you can receive depends on:

- (i) the Annual Value of your home as assessed by IRAS (based on your NRIC address as of 31 December 2005); **and**
- (ii) Your Assessable Income for the Year of Assessment 2005 (your income earned in calendar year 2004 as assessed by IRAS)

	Annual Value of Home \$6,000 or less	Annual Value of Home more than \$6,000 and up to \$10,000	Annual Value of Home more than \$10,000
Annual Assessable Income \$24,000 or less	\$800	\$600	\$200
Annual Assessable Income more than \$24,000	\$600	\$400	

Note: Annual Value of \$10,000 or less covers about 90% of households. It includes all HDB flats (other than a few very large units), as well as smaller private homes.

3.2 Why use both AI and AV to determine how much Growth Dividends a person can receive?

The Government has received feedback from past surplus sharing exercises that both the income and wealth of a person should be taken into account when allocating more to vulnerable Singaporeans. The tiered structure of AI and AV presents a more targeted way of distributing Growth Dividends. The AI establishes an individual's income, while the AV of his property is a proxy for wealth.

3.3 How much will I receive if I stay in a rented property?

The amount of Growth Dividends you will receive depends on the AV of your rented property.

3.4 How do I check how much Growth Dividends I can receive?

You can check your Growth Dividends amount on your notification letter that the CPF Board will send to all eligible Singaporeans in late March 2006. Starting from 1 April 2006, you can also check your Growth Dividends amount on this website.

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4. Annual Value

4.1 What is the Annual Value (AV)?

AV is the property value used to calculate the property tax of your home. The AV can be found on the property tax bill that you receive each year.

4.2 Why is AV used instead of flat-type?

By using AV instead of flat-type, Singaporeans who live in large HDB flats and Singaporeans who live in smaller and less expensive private properties with an AV similar to a large HDB flat, will receive similar amounts of Growth Dividends.

4.3 Why are AVs of \$6,000 and \$10,000 used?

An AV of \$6,000 or less will cover all those who stay in a 1, 2, 3-room HDB flat and almost everyone who stays in a 4-room HDB flat. An AV of between \$6,000 and \$10,000 will cover most of those staying in 5-room HDB flats and less valuable private properties. An AV of more than \$10,000 covers the top 10% of the population who stay in more valuable private properties.

4.4 If I own several properties, which AV will be used?

The AV will be based on the property reflected on your NRIC. By law, the NRIC address must show where you are staying. If it does not, you should update the address immediately at the Immigration & Checkpoints Authority or any police station.

4.5 What happens when the AV of my house changes?

We will use the 2005 AV of the house stated on your NRIC as of 31 December 2005, to determine the amount of Growth Dividends you can receive.

4.6 What is the AV if I stay in an old age home, nursing home or community hospital?

You will be considered to have an AV of \$6,000 or less.

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5. Assessable Income

5.1 What is Assessable Income (AI)?

Assessable Income is the full income you have in a calendar year (sum of your employment, dividends, interest and other income) less allowable expenses, applicable capital allowances, donations to IPCs and any loss incurred in trade and business.

5.2 Why is the AI of \$24,000 used?

The cut-off of \$24,000 corresponds with the salary of a median worker which is about \$2,000 a month.

5.3 If I did not need to pay any taxes in Year of Assessment 2005, what is my AI?

You will be deemed to have an AI less than or equal to \$24,000, so you will receive the higher amount of

6. How to Receive Growth Dividends

6.1 How can I receive my Growth Dividends?

To receive your Progress Package, you must sign up at any DBS/POSB/UOB/OCBC ATM, or at our website or by returning a completed form (available at all SingPost offices, Community Centres/Clubs, Community Development Councils and the CPF Board Service Centres) to the CPF Board from **1 April 2006**. Your Progress Package will be paid on **1 May 2006** if your instructions are submitted by the following dates.

Sign-up Mode	By when must I sign up to receive my Progress Package on 1 May 2006?
1. ATMs	25 April 2006
2. Website (www.progress.gov.sg)	25 April 2006
3. Hard copy forms	15 April 2006

6.2 What if I miss the April 2006 deadlines?

You have until 31 December 2006 to sign up for your Progress Package. The fastest way to receive your Progress Package is to sign up through the ATMs or website. Your Progress Package, other than the CPF top-ups and 10% of your Workfare Bonus, will be credited to your bank account within 4 working days. If you sign up using forms, you will receive your Progress Package in your bank account within 10 working days or a cheque within 15 working days.

CPF top-ups will be made by the 15th of the following month if you sign up before the end of the previous month.

6.3 Why am I signing up for the Progress Package and not Growth Dividends? Do I need to sign up for the Progress Package and Growth Dividends separately?

Growth Dividends are part of the Progress Package, so you only need to sign up once for the Progress Package. There is no separate sign-up for Growth Dividends.

6.4 Who can use the ATM to sign up for the Progress Package?

To use the ATM for signing up, you need to be an ATM card holder with one of the participating banks: DBS/POSB, OCBC or UOB. You can only sign up at the ATM of your own bank. For example, if you are holding a DBS/POSB ATM card, please go to any DBS/POSB ATM.

6.5 Can I sign up on behalf of my relatives or friends using my ATM card?

No, you can only sign up for the Progress Package using your own ATM card.

6.6 Can I use the ATM to sign up for the Progress Package throughout the year?

The ATM channel for signing up is only available from **1 April 2006** to 31 May 2006. After 31 May 2006, only hard copy forms and website sign-ups will be available.

6.7 My father (or immediate family member*) is bedridden/physically immobile or of unsound mind, and does not have a bank account. How can I help my father encash his Progress Package cheque?

Please proceed to the bank issuing the cheque (DBS or UOB), with the following documents:

- (a) Signed Letter of Authorisation from beneficiary (unless otherwise exempted by doctor's memo or medical report);
- (b) Documentary evidence stating your father's medical condition e.g. doctor's memo or medical report or court order. The date of the documents should not be more than 1 year before the cheque encashment. (Note: a doctor's memo or medical report can be dated more than 1 year before the encashment date, if it specifically states that the patient's condition is permanent.);
- (c) Both your original NRICs;
- (d) Documentary evidence of your relationship e.g. birth certificate, marriage certificate; and
- (e) Your father's Progress Package cheque.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

* Immediate family member refers to a parent, child, sibling or spouse.

6.8 My friend is bedridden/physically immobile or of unsound mind, and does not have a bank account. How can I help my friend encash his Progress Package cheque?

As you are not an immediate family member of the beneficiary, please go to any CPF Service Centre with the

following documents:

- (a) Signed Letter of Authorisation from beneficiary (unless otherwise exempted by doctor's memo or medical report);
- (b) Documentary evidence stating your friend's medical condition e.g. doctor's memo or medical report or court order. The date of the documents should not be more than 1 year before the cheque encashment. (Note: a doctor's memo or medical report can be dated more than 1 year before the encashment date, if it specifically states that the patient's condition is permanent.);
- (c) Both your original NRICs; and
- (d) Your friend's Progress Package cheque.

At the CPF Service Centre, you would have to sign a Letter of Indemnity. CPF Board will then issue you with an instruction letter to the bank. Please bring the CPF Board's instruction letter to the bank together with your NRIC to encash the Progress Package cheque on your friend's behalf.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

6.9 My family member/friend is overseas. How can I help him encash his Progress Package cheque?

Your family member/friend may wish to check with his overseas bank whether the cheque can be deposited into his overseas bank account. Overseas banks may charge a fee and the charges vary from bank to bank.

OR

Cheque encashment by immediate family member

If your immediate* family member would like you to exchange his Progress Package cheque for cash on his behalf, please proceed to the bank issuing the cheque (DBS/POSB/UOB/OCBC), with the following documents:

- (a) Original signed copy of his Letter of Authorisation stating his overseas address and authorising you to exchange his Progress Package cheque for cash;
- (b) Photocopy of your immediate* family member's valid passport (personal particulars page, and page with customs stamp)
- (c) Your original NRIC;
- (d) Documentary evidence of your relationship e.g. birth certificate, marriage certificate; and
- (e) Your immediate* family member's Progress Package cheque.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

* Immediate family member refers to a parent, child, sibling or spouse.

OR

Cheque encashment by friend/non-immediate family member

If your friend (or non-immediate family member) would like you to exchange his Progress Package cheque for cash on his behalf, please go to any CPF Service Centre with the following documents:

- (a) Original signed copy of his Letter of Authorisation stating his overseas address and authorising you to exchange his Progress Package cheque for cash;
- (b) Your original NRIC; and
- (c) Photocopy of your friend's (or non-immediate family member) valid passport (personal particulars page, and page with customs stamp)

At the CPF Service Centre, you would have to sign a Letter of Indemnity. CPF Board will then issue you with an instruction letter to the bank. Please bring the CPF Board's instruction letter to the bank together with your NRIC to encash the Progress Package cheque on your friend's behalf.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

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7.1 Can I donate my Growth Dividends to a charity?

Yes. Starting from 1 April 2006, you will be able to donate your Progress Package (Growth Dividends, NS Bonus and Workfare Bonus) to a charity of your choice on this website.

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8. NSmen Status

8.1 Will NSmen receive extra Growth Dividends?

NSmen will not receive more Growth Dividends. They will receive the 40th Anniversary NS Bonus, to recognise their vital contributions to the security and well-being of Singapore.

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9. Closure

9.1 Can I sign up for the Progress Package after 31 December 2006?

No, the last date for all sign-ups is 31 December 2006.

9.2 Is there a deadline to encash my Progress Package cheque?

All cheques have to be encashed by 30 November 2007. Those holding on to expired cheques have until 1 November 2007 to request for a replacement cheque. No new cheques will be issued after 1 November 2007.

9.3 Will I lose my Progress Package if I fail to encash my Progress Package cheque by 30 November 2007?

No, if you fail to encash your cheque by 30 November 2007, your Progress Package will be credited directly to your CPF Ordinary Account and will be subjected to CPF withdrawal rules. If you do not have a CPF account now, the CPF Board will automatically open a CPF account for you to credit your Progress Package monies. You need not come to the CPF office to open an account.

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10. Others

10.1 Are the Growth Dividends taxable?

No, the Growth Dividends are not taxable.

10.2 Can I transfer or sell my Growth Dividends?

No, you are not allowed to transfer or sell your Growth Dividends.

10.3 What happens to the Progress Package if the beneficiary passes away after signing up?

The Progress Package monies will be transferred to the deceased's CPF account for distribution, together with other CPF monies.

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The Workfare Bonus Scheme (WBS) is part of the [Progress Package](#) announced by the Government on 17 February 2006. The WBS gives a cash bonus to older, low wage Singaporean workers to reward regular and productive work. The first portion of WBS was given out in May 2006 for work done in 2005. The Government will be giving out the second and final portion of WBS to all eligible Singaporeans from 1 May 2007 for work done in 2006.

The WBS has been replaced by the [Workfare Income Supplement \(WIS\) scheme](#).

Who is eligible for the Workfare Bonus 2007?

To get the Workfare Bonus, you must

- Be a Singapore Citizen
- Be employed or self-employed and work for at least 6 months in calendar year 2006
- Have signed up for the Progress Package in 2006
- Aged 40 and above as at 31 December 2006
- Live in a property with an Annual Value of \$10,000 or less as at 31 December 2006
- Earn an average monthly income of \$1,500 or less in calendar year 2006

How is my income and employment determined?

If you are:

An Employee with CPF Your employment and income will be **automatically verified** using your CPF contribution records. Under the CPF Act, employers are required to make CPF contributions on behalf of their employees if they earn more than \$50 monthly. You **need not make any application or declare your income to qualify** for WBS.

If you are:

A Self-employed person If you are required to furnish an Income Tax Return, you will be assessed based on your income tax declaration to IRAS. You **need not make any application to qualify** for WBS.

If you are an employee but do not have CPF contributions **and** have not received an **Income Tax Return by 1 March** to furnish last year's income, you can apply for WBS by declaring your income using the **WBS Income Declaration Forms** available at all CPF Service Centres & selected Community Centre/Clubs (CCs). WBS counters at CCs will open from 1st February 2007 to 1st April 2007. Opening hours are as follows:

At CCs: 12pm - 9 pm daily (including Saturdays and Sundays), except for Nee Soon Central CC: 2 pm - 9 pm. Closed on public holidays and on the eve of Chinese New Year.

At CPF Service Centres: Mondays to Fridays: 8am to 5pm, and Saturdays: 8am to 1pm. Closed on public holidays.

To receive your Workfare Bonus on 1 May 2007, please submit your **Income Tax Return** or the **WBS Income Declaration Form to IRAS or CPF Board respectively by 1st April 2007**.

Closing date for Workfare Bonus 2007 income declarations

Declarations made after 30 June 2007 will not be accepted.

How much Workfare Bonus can I receive?

If you had worked at least 6 months in year 2005, you would have received the first portion of the Workfare Bonus. The second portion of the Workfare Bonus will be paid on 1st May 2007 for work done in 2006. The amount of bonus you will receive will be based on your average monthly income for the months you had worked in calendar year 2006. You may receive up to \$600 of bonus, depending on your average monthly income.

The amount of Workfare Bonus is based on your average monthly income for the continuous period that you had worked in the year.

Average Monthly Income	Bonus to be paid on 1st May 2007
\$400 and below	1.5 months salary or \$75, whichever is higher

Above \$400 to \$900	\$600
Above \$900 to \$1,200	\$400
Above \$1,200 to \$1,500	\$200

How will I be paid the Workfare Bonus?

10% of the bonus will be credited into your CPF Medisave account to help build up your savings to take care of your healthcare needs. The remaining 90% of the bonus will be paid in cash. You will receive the bonus either by direct bank credit or by cheque, depending on how you had selected in 2006 to receive your Progress Package monies.

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General Questions on Workfare Bonus Scheme (WBS)

Eligibility Criteria - General

Eligibility Criteria - Employment

- General

- For Employees

- For Self-employed

Eligibility Criteria - Age

Eligibility Criteria - Housing

Eligibility Criteria - Citizenship

Payment of WBS

General Questions on Workfare Bonus Scheme (WBS)

1. What is the Workfare Bonus Scheme?

The Workfare Bonus Scheme (WBS) is part of the Progress Package announced by the Government on 17 February 2006. The WBS gives a cash bonus to older, low wage Singaporean workers to reward regular and productive work.

2. What is the rationale behind the WBS?

The WBS is based on the philosophy of Workfare. Through Workfare, work ethic is reinforced as individuals are assisted to work regularly and achieve self-sufficiency for themselves and their families.

3. How long will the WBS run for?

The WBS has a 2 year eligibility period from Jan 2005 to Dec 2006. The second and final portion of the bonus will be paid on 1 May 2007.

4. Will the WBS be an on-going scheme?

The Government has announced that there will be more Workfare Schemes in future.

5. What is the budget for the WBS?

The Government will set aside \$400m from budget surpluses for the WBS.

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Eligibility Criteria - General

6. Who is eligible for the Workfare Bonus?

To get the Workfare Bonus, you must

- Be a Singapore Citizen aged 40 and above;
- Be living in a property with an Annual Value of \$10,000 or less;
- Be employed or self-employed and work for at least 6 months in calendar years 2005 or 2006; and
- Earn an average monthly income of \$1,500 or less
- Have signed up for the Progress Package

The scheme will potentially benefit up to 400,000 Singaporeans.

7. I did not sign up for the Progress Package. Do I still qualify for WBS?

The WBS was launched as part of the Progress Package (PP). Therefore if you did not sign up for the Progress Package, you will not qualify for the second portion of WBS.

8. I worked for 6 months in 2006, but not in a continuous stretch. Do I qualify for WBS?

The original employment criterion for WBS was a **continuous** six-month employment period, as this was meant to encourage and reward regular and productive work.

However, in recognition that there may be some employees and self-employed persons who face genuine difficulties staying employed for 6 continuous months despite their best efforts, the Government has decided to be flexible and make an exception for them. They can qualify if they have worked for at least 6 months in the calendar year, even if the employment period was not continuous, provided they have also met the other Workfare Bonus Scheme qualifying criteria.

For employees with at least 6 months of work in 2006, the Workfare Bonus will be automatically assessed based on their CPF contributions records. There is no need to apply for or to declare their income in order to receive the Workfare Bonus.

The self-employed will have their income automatically assessed based on their income tax return. No additional action is necessary for this group.

Those who have at least 6 months of work in 2006 but do not have CPF contributions and have not received an Income Tax Form for their trade income by 1 March 2007, should apply for the Bonus by declaring their income using the Workfare Bonus Income Declaration Form.

9. What is the deadline for declaring my 2006 income in order to qualify for the second allotment of WBS?

The deadline for declaring your 2006 income to qualify for the second allotment of WBS is 30 June 2007.

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Eligibility Criteria - Employment (General)

10. If I am both an employee and self-employed, how will I be assessed on my income eligibility for WBS?

Your income will be derived based on your CPF contributions as an employee.

11. What is the rationale for giving Workfare Bonus only to those with monthly gross wage of \$1,500 or less?

The Workfare Bonus is targeted at the lowest 20% of income earners, ie those who earn \$1,200 or less. However, to be fair to those who earn slightly more than this, the Government has decided to extend the bonus to those earning up to \$1,500, which corresponds to the lowest 30% of income earners.

12. Why are workers assessed on monthly gross salary (or annual net trade income in the case of self-employed) and not household income?

The Workfare Bonus Scheme is designed to reward individual work. Hence, workers are assessed on their individual income, rather than household income. However, to target the bonus at those in lower income households who need more help, we are using the Annual Value of housing as another criterion.

13. Why is employment period based on the calendar years of 2005 and 2006?

You need to work regularly to qualify for the bonus. The calendar years are therefore used to determine regular work within a period. The first portion of the bonus was given to workers who worked regularly in calendar year 2005. In order to encourage people to continue to work or to seek regular work, the second portion of the bonus will be based on the calendar year 2006. The calendar year is also the period used for the self-employed to declare their annual income to IRAS.

14. Why is it that I do not get the bonus if I worked for at least 6 months across 2005-6, although I did not work for at least 6 months in 2005 or in 2006 alone?

The Workfare Bonus is a reward for regular and productive work in calendar years 2005 or 2006. For WBS 2006 and WBS 2007, regular work would constitute working for at least 6 months in each of these calendar years.

15. I do not have CPF contributions and have not received an income tax return, how do I sign up for the second portion of WBS?

If you have worked for at least 6 months in 2006, you may declare your income at selected Community Centres /Clubs which will be open from 1 Feb 07 to 1 Apr 07 or any of the 5 CPF Service Centres.

You will need to make your declaration by **1 Apr 07** in order to receive payment on 1 May 07. If you declare after 1 Apr 07, you will receive your payment after 1 May 07. The final date for income declarations is 30 June 07.

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Eligibility Criteria - Employment (Employees)

16. I am a contract / part-time employee. Will I be eligible for WBS?

Yes. Contract / part-time employees are eligible for the bonus if they meet the WBS criteria.

17. I am on no-pay / study leave / medical leave / maternity leave. Will I be considered as employed?

You will be counted as employed as long as your salary is paid, i.e. your employer continues to contribute to your CPF.

18. How is my income derived?

CPF Board will derive your income based on your CPF contributions. The income will be averaged over the number of months worked in the year.

19. What is considered income? Will bonuses be included?

For purposes of the Workfare Bonus Scheme, employee income is based on the definition of gross salary under the CPF Act:

Gross salary = Total Ordinary Wages + Total Additional Wages

Where:

Ordinary Wages are wages due or granted wholly and exclusively in respect of an employee's employment. This includes allowances and overtime pay. Additional Wages are wages which are granted wholly and exclusively for that month. This includes annual bonus, leave pay, incentive and other payments made at intervals of more than a month.

Please note Additional Wages do not include retirement or retrenchment benefits and pension payments.

20. Why is bonus included?

Bonuses are part of your employment income. Some workers will have more bonuses from their employment than others. To be fair, bonuses have to be included.

21. If I change jobs during a continuous 6-month period, do I still qualify for WBS?

Yes, as long as you have worked 6 months in the calendar year, as determined by your CPF contributions or income declaration, and meet the other WBS criteria.

22. I am an odd job labourer. Can I qualify for the Workfare Bonus?

The WBS is a cash bonus to older, low wage Singaporean workers to reward them for regular and productive work.

Odd job labourers and casual workers will qualify for the WBS so long as they have been engaged in regular and productive work for at least 6 months in the calendar year, as well as meet the other criteria.

If you do not have CPF contributions and have not received an IRAS Income Tax Return by 1 March, you can apply for the WBS using the WBS income declaration form. If you meet the eligibility criteria, you will qualify for the Workfare Bonus.

However you must be able to furnish proof of regular salary payment, if called upon to verify your applications. Furnishing false information for the purpose of obtaining the Workfare Bonus by deception is a criminal offence, which carries a maximum punishment of an imprisonment term of 7 years.

23. I was working as a babysitter in 2006 and earning an income. Do I qualify for the second allotment of WBS?

If you had been a babysitter for at least six months in 2006, and you had worked as an employee or self-employed for financial gain or reward, you can qualify for WBS if you meet the WBS criteria.

Babysitting* for immediate family members does not constitute work as an employee or self-employed for financial gain or reward.

You will need to provide the names and birth certificate numbers of your wards as evidence that you had been in gainful employment performing regular and productive work.

* This includes babysitting your own children, grandchildren, nephews and nieces. Nephews and nieces of babysitters are the children of the applicant's immediate family.

24. I was doing domestic work in 2006 and earning an income. Do I qualify for the second allotment of WBS?

If you had been gainfully employed as a domestic worker for at least 6 months in 2006 in a residence that is not owned or occupied by you or your immediate family members*, you can apply for WBS if you meet the other WBS criteria.

* This means your spouse, parents, children and siblings.

25. What kind of proof of employment and income do I have to show in filling up the WBS Income Declaration Forms?

Your eligibility will be assessed based on your declared income and employment on the form. You will need to provide details of your employment such as the name of their employer, and the employer's address and telephone number. You must also be able to furnish proof of regular salary payment, if called upon to verify your applications, such as pay slips or receipts for trade goods. Furnishing false information in this document for the purpose of obtaining Workfare Bonus by deception is a **criminal offence**, which carries a maximum punishment of an imprisonment term of **7 years**.

26. Why am I now being asked for more employment details in the declaration form when this was not required previously?

We have introduced new requirements for income declaration to ensure that only those who have been engaged in regular and productive work receive the Bonus.

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Eligibility Criteria - Employment (Self-employed)

27. What is the definition of a self-employed person?

You are considered a self-employed person if you carry on a trade, business, profession or vocation. In other words, if you are making money by buying and selling goods, providing professional or personal services, you are a self-employed person.

A self-employed person may be a sole-proprietor or a partner of a partnership business.

28. How do you determine my average monthly income?

Your average monthly income is calculated from the total income in the period of self-employment over

the number of months of self-employment.

Income for the purpose of WBS will be based on

- your annual net trade income as declared to IRAS if you submitted an **Income Tax Return** to IRAS; or
- your declared income if you submitted a **WBS income declaration form**. For the self-employed, income will be based on net trade income, i.e.

Annual Net Trade Income = (Gross Profit - Allowable Business Expenses) in the year of qualification (2005 or 2006)

Gross profit excludes income from share dividends, employment and interest from savings.

29. When will I receive my Income Tax Return?

IRAS is in the process of sending out the Income Tax Returns. All self-employed persons should receive their returns by 1 Mar 2007.

30. When is the deadline for declaring my 2006 income in order to qualify for the second allotment of WBS?

You would need to submit your IRAS Income Declaration Form B by 30 June 2007 to qualify for the second portion of WBS.

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Eligibility Criteria - Age

31. Why is the scheme only for those 40 and above?

The scheme targets mature and older workers as younger workers have greater potential for future income growth.

32. What is the assessment date for the age criterion?

For first bonus paid on 1 May 2006: The assessment date for the age criterion was 31 Dec 2005.

For second bonus paid on 1 May 2007: The assessment date for the age criterion is 31 Dec 2006.

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Eligibility Criteria - Housing

33. What is Annual Value (AV)?

AV is the property value used to calculate the property tax of your home. The AV can be found on the property tax bill that you receive each year.

34. Why is there a housing requirement? Why is Annual Value (AV) used, instead of housing type?

The housing criterion helps to target low wage workers from the lower income households.

AV is a simple way to determine household income indirectly. Using AV instead of housing type is a fairer way to determine property value, as some applicants may be staying in smaller and less expensive private properties with an AV similar to a large HDB flat.

35. How is the Annual Value (AV) requirement of \$10,000 decided?

The AV cut-off of \$10,000 covers about 90% of households, and includes almost all HDB flats, as well as smaller private residences such as walk-up flats and shop-houses. Singaporeans staying in larger properties with AVs above \$10,000 are likely to be earning higher incomes, and unlikely to be the group that the Workfare Bonus Scheme is meant to target.

36. What address is used to determine my Annual Value (AV)?

The AV will be based on the property reflected in your NRIC. The NRIC address must show where you are staying. If it does not, you should update the address immediately at the Immigration and Checkpoints Authority (ICA) or any police station.

37. What is the assessment date for determining my AV?

For the second portion of WBS, the assessment date for determining your AV is 31 Dec 2006.

38. I disagree with my Annual Value (AV) assessment. How do I appeal?

You may approach IRAS for a re-assessment. If the AV of your property is subsequently re-assessed and meets the housing criterion, you may then appeal for your Workfare Bonus.

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Eligibility Criteria - Citizenship

39. Can Permanent Residents qualify for WBS?

The Workfare Bonus is a privilege of Singapore Citizens.

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Payment of WBS

40. I qualify for the Workfare Bonus. What do I need to do in order to receive my Bonus?

If you are:

An Employee

Your employment and income will be **automatically verified** using your CPF contribution records. Under the CPF Act, employers are required to make CPF contributions on behalf of their employees if they earn more than \$50 monthly. You **need not make any application or declare your income to qualify** for WBS.

If you are:

A Self-employed person

If you have submitted an **Income Tax Return**, you will be assessed based on your declaration of net trade income to IRAS. You **need not make a separate application to qualify** for WBS.

If you do not have CPF contributions and have not received an **Income Tax Return by 1 March** for last year's income, you can apply for WBS using the **WBS income declaration forms** available at selected Community Centres/Clubs (CCs) from 1 February 2007 to 1 April 2007, and all 5 CPF Service Centres.

To receive your Workfare Bonus on 1 May of 2006 or 2007, **Income Tax Returns** or the **WBS income declaration forms** must be submitted by the following dates:

Income earned in year	Declare income by
2005	1 April 2006
2006	1 April 2007

Income declarations submitted after the above dates will result in delayed payment of your bonus.

Closing date for Workfare Bonus income declarations

The last day for income declarations to be made for work done in 2006, in order to qualify for the second portion of the Workfare Bonus, will be 30 June 2007. Declarations made after that date will not be accepted.

41. How much bonus will I get?

The Workfare Bonus will be paid twice, on 1st May 2006 and 1st May 2007, based on your average monthly income. Those who worked for at least 6 months in 2005 received the first bonus on 1 May 2006. Similarly, those who work for 6 or more months in 2006 are eligible for a second bonus to be paid on 1 May 2007. The amount of Workfare Bonus is based on your average monthly income for the period you had worked in the year.

Average Monthly Income	Bonus to be paid
\$400 and below	1.5 months salary or \$75, whichever is higher
Above \$400 to \$900	\$600
Above \$900 to \$1,200	\$400
Above \$1,200 to \$1,500	\$200

If you work at least 6 months in both 2005 and 2006, you can receive the Workfare Bonus twice. For instance, you can get **up to \$1200 in total** if your average monthly income is above \$400 to \$900 and you were employed or self-employed for at least 6 months in calendar years 2005 and 2006.

42. How will I be paid the Workfare Bonus?

10% of your bonus will be credited into your CPF Medisave Account. The balance will be paid to you either by bank credit or cheque, in accordance with how you had selected in 2006 to receive your Progress Package monies.

43. My father (or immediate family member*) is bedridden/physically immobile or of unsound mind, and does not have a bank account. How can I help my father encash his Progress Package cheque?

Please proceed to the bank issuing the cheque (DBS or UOB), with the following documents:

- Signed Letter of Authorisation from beneficiary (unless otherwise exempted by doctor's memo or medical report);
- Documentary evidence stating your father's medical condition e.g. doctor's memo or medical report or court order. The date of the documents should not be more than 1 year before the cheque encashment. (Note: a doctor's memo or medical report can be dated more than 1 year before the encashment date, if it specifically states that the patient's condition is permanent.);
- Both your original NRICs;

(d) Documentary evidence of your relationship e.g. birth certificate, marriage certificate; and

(e) Your father's Progress Package cheque.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

* Immediate family member refers to a parent, child, sibling or spouse.

44. My friend is bedridden/physically immobile or of unsound mind, and does not have a bank account. How can I help my friend encash his Progress Package cheque?

As you are not an immediate family member of the beneficiary, please go to any CPF Service Centre with the following documents:

(a) Signed Letter of Authorisation from beneficiary (unless otherwise exempted by doctor's memo or medical report);

(b) Documentary evidence stating your friend's medical condition e.g. doctor's memo or medical report or court order. The date of the documents should not be more than 1 year before the cheque encashment. (Note: a doctor's memo or medical report can be dated more than 1 year before the encashment date, if it specifically states that the patient's condition is permanent.);

(c) Both your original NRICs; and

(d) Your friend's Progress Package cheque.

At the CPF Service Centre, you would have to sign a Letter of Indemnity. CPF Board will then issue you with an instruction letter to the bank. Please bring the CPF Board's instruction letter to the bank together with your NRIC to encash the Progress Package cheque on your friend's behalf.

An administrative fee of \$4 is payable at the bank for exchanging Progress Package cheques for cash. The fee will be waived for those who are aged 62 and above.

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45. Why must 10% of the bonus be credited into my Medisave Account?

10% will be credited into your Medisave Accounts to help low wage workers build up their savings to take care of their long term healthcare needs.

46. Will the Workfare Bonus be included in my total income to be declared to IRAS for the next financial year?

No, the Workfare Bonus is not taxable.

47. Can I withdraw my bonus partially or must I do so in full?

10% of your bonus will be credited into your CPF Medisave Account. The remaining 90% of the bonus can be withdrawn in full.

48. How and when will I receive the payment of the bonus?

If you had declared your income by 1 Apr 2007 (for self-employed or those submitting income form declarations), you would receive your payment on 1 May 2007. Individuals who make declarations after this date will be paid later, based on CPF Board's usual service standards. 10% of your bonus will be credited into your CPF Medisave Account. The balance will be paid to you either by bank credit or cheque, in accordance with how you had selected to receive your Progress Package monies in 2006.

49. Is there a deadline to encash the cheque that I receive?

All cheques have to be encashed by 30 November 2007. Those holding on to expired cheques have until 1 November 2007 to request for a replacement cheque. No new cheques will be issued after 1 November 2007.

50. What will happen if I fail to encash my cheque by 30 November 2007?

If you fail to encash your cheque by 30 November 2007, your WBS cheque amount will be credited directly into your CPF Ordinary Account. They will then be subjected to CPF withdrawal rules.

51. What if I fail to submit my income tax declarations by 1 April 2007?

Your payment will be delayed till after 1 May 07. The final date for income declarations, to qualify for WBS 2007, is 30 June 07.

52. What happens to the Progress Package if the beneficiary passes away after signing up?

The Progress Package monies will be transferred to the deceased's CPF account for distribution, together with other CPF monies.

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