

Remuneration that subject Employees Provident Fund (EPF)

1. Generally, all wages paid to the directors/ staff/ workers are subject to EPF deductions. The payments by the employers subject to deductions are:

- a. Wages;
- b. Wages in lieu of notice of termination of employment;
- c. Payment for unutilized leaves (including annual & medical leave);
- d. Bonuses;
- e. Allowances;
- f. Commission;
- g. Incentive;
- h. Arrears of wages;
- i. Wages for maternity leave;
- j. Wages for study leave;
- k. Wages for half pay leave;
- l. Arrears for wages arising from salary revision;
- m. Other payments under services contracts or otherwise.

2. Payments that are not subject to EPF deductions are as follows:

- a. Services charges;
- b. Overtime payment;
- c. Gratuity;
- d. Retirement benefits;
- e. Retrenchment, temporary and lay-off;
- f. Any travelling allowances or the value of any travelling concession;
- g. Director's fees;
- h. Any other remuneration or payments as may be exempted by the Minister.

The list is not exhaustive hence if in doubt please contact to the nearest KWSP office for confirmation.