

## DID YOU KNOW?



The SDL system is a one-stop online service portal, which gives employers the convenience to interact with SSG on SDL-related matters anytime, anywhere.

Employers can access the following e-services at <https://sdl.ssg.gov.sg>

E-Services	Description
E-Payment	Make immediate SDL payments (including SDL arrears) either through Credit or Debit Card.
E-Refund	Submit refund requests for overpayment of SDL, with ease of tracking and viewing the status of refund requests.  From 1 September 2015 onwards, all refund requests should be submitted online.
E-Declaration of Non-Liability	Submit declarations for employees exempted from SDL, with added convenience of extending existing or renewing subsequent annual declarations without the need to re-populate the required information.  From 1 September 2015 onwards, all declarations of non-liability should be submitted online.
SDL Calculator	Calculate the SDL amount using this simple tool and make immediate payments based on the amount computed.

SKILLSfuture SG

# SKILLS DEVELOPMENT LEVY (SDL)

Latest Guide for Employers

SKILLSfuture SG

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## KEY FACTS

### 01 What is SDL?

The Skills Development Levy (SDL) is a mandatory levy imposed on employers under the Skills Development Levy Act (Chapter 306).

The SDL is a separate levy from other payments such as the Central Provident Fund (CPF) contribution or Foreign Worker Levy (FWL).

The SDL collected is channelled to the Skills Development Fund (SDF), which is used to support workforce upgrading programmes and to provide training grants to employers when they send their employees to attend training under our national Continuing Education and Training (CET) system.

The SDL and SDF are administered by the SkillsFuture Singapore Agency (SSG).

### 02 What is the SDL contribution rate?

With effect from 1 October 2008, the SDL payable is at 0.25% of the monthly remuneration for each employee, with a minimum payable of \$2 (for an employee earning less than \$800 a month) and a maximum of \$11.25 (for an employee earning more than \$4,500 a month).

*Employers may refer to the SDL website at <https://sdl.ssg.gov.sg> for more details.*

### 03 What types of payment are included as part of an employee's remuneration?

Remuneration is defined as "any wages, salary, commission, bonuses, allowances (including housing allowance and other similar allowances) or other emoluments including any leave pay, paid in cash by or on behalf of an employer to an employee".

*Employers may refer to the SDL website at <https://sdl.ssg.gov.sg> for more details.*

### 04 Who is liable to pay SDL?

All employers are required to pay SDL for their local and foreign employees. An 'employer' is a person (or entity) who pays or is liable to pay any remuneration to an employee.

SDL is not payable for the following employees:

- A domestic servant, chauffeur or gardener wholly and exclusively employed by an individual other than in connection with that individual's trade, business, profession or vocation.
- An employee who does not render any services in Singapore in relation to a month. This excludes an employee who is on leave for that month due to his / her employment in Singapore.

*Employers may refer to the SDL website at <https://sdl.ssg.gov.sg> for the list of exempted categories.*

### 05 What SDL-related documents do I need to prepare and keep?

Every employer liable to pay SDL shall prepare and keep in safe custody a register containing:

- Payroll records
- CPF Board's Record of Payment (Form 90/90A)
- Any documentary evidence of SDL payment

## HOW TO COMPUTE/PAY, AND WHEN?

### 06 How to compute SDL?

SDL is payable on the first \$4,500 of monthly remuneration at the rate of 0.25%, subject to a minimum of \$2.

The table below gives an example of how to calculate the SDL payable:

Employee	Monthly Remuneration	SDL Payable	Remarks
A	\$150.80	\$2.00	Minimum of \$2 is payable for those earning less than \$800
B	\$609.50	\$2.00	Minimum of \$2 is payable for those earning less than \$800
C	\$2,000.00	\$5.00	0.25% of monthly remuneration
D	\$4,500.00	\$11.25	0.25% of monthly remuneration
E	\$4,502.03	\$11.25	SDL is on the first \$4,500 only
F	\$10,000.00	\$11.25	SDL is on the first \$4,500 only
	<b>Total</b>	<b>\$42.75</b>	
	<b>Total SDL Payable</b>	<b>\$42.00</b>	Rounding down is done at the total for the whole organisation and not on each employee.

Employers who contribute SDL through CPF Board's CPF e-Submit@web portal can tap on the convenience of the new auto-computation feature to auto compute the SDL liabilities for your local employees.

### 07 How to pay SDL?

The CPF Board is the authorised collection agency for SDL. Employers can pay SDL together with their employees' CPF contributions via the following options:

- CPF e-Submit@web
- CPF e-Submit@AXS
- CPF e-Submit@mobile
- Payment Advice (CPF Form 91)

### 08 When to pay SDL?

SDL should be computed and paid within 14 days after the end of the month. Any late payment may incur a penalty at the rate of 10% per annum on the amount outstanding.