

Oversea Posting (not Incidental to Employment in S'pore)

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We have a staff work from Jan to Oct'16 the total amount is S\$38942.00 and Nov to Dec'16, she is posted to Japan S\$8584.00 The income tax for the last two months is non-taxable as she is working overseas. But in Singapore we are still paying her Nov and Dec salary.

Only when come to tax we do not need to take in the last two months. In EPE as Nov and Dec still appear as salary to her, how should I take out. This two months' salary when come to report tax. Please advise.

Answers:

If overseas posting is not incidental to employment in Singapore, you need to do the following:

1. IR8S - to specify overseas period from/To dates and overseas Employer/Employee CPF
2. If IR8S needs to be submitted, then Section A, monthly details will need to manually be amended.
3. IR8A - to manually adjust the relevant income components if pro-ration is required.

Steps to amend the IR8A :-

1. Go-to Income Tax → Setup → Special Option.
2. Tick [] 'edit IR8S Section A Table'.
3. Go-to Income Tax → Process → View Tax Records and select the employee with record type = IR8S and modify.
4. At wages breakdown → Select the month to be excluded and manually amend the figures at 'overseas' column' for period overseas and click SAVE button.
5. At the lower portion "Period of overseas posting from", enter XX/XX/2016 to XX/XX/2016 6. At 'Whether CPF contribution in respect of overseas...', select 'Obligatory' and save the record and exit IR8S.
7. Go-to Current IR8A to amend the fields