

ANNEX E-4: SENIOR WORKER CPF CONTRIBUTION RATES AND CPF TRANSITION OFFSET

In line with the recommendation from the Tripartite Workgroup on Older Workers, the Government announced in 2019 that CPF contribution rates would be raised gradually for Singaporean and Permanent Resident workers aged above 55 to 70 (see [Table 1](#)). When the increases have been fully implemented by around 2030, those aged above 55 to 60 will have the same CPF contribution rates as younger workers.

Table 1: Current and Target CPF Contribution Rates (Employer + Employee) by Age Bands

Age Band	2016–2021	Current CPF Contribution Rates (As of 1 January 2026)	Target Contribution Rates by ~2030
55 and below	37.0%	No change	
Above 55 to 60	26.0%	34.0%	37.0%
Above 60 to 65	16.5%	25.0%	26.0%
Above 65 to 70	12.5%	16.5%	16.5%
Above 70	12.5%	No change	

Notes:

- a. The timeline is subject to change, depending on prevailing economic conditions.
- b. The CPF contribution rates are stated as a percentage of wages above \$750 per month.

The Government has implemented the increase in senior workers' CPF contribution rates for workers aged above 55 to 70 each year since 1 January 2022. We reached the target contribution rates for senior workers aged above 65 to 70 in 2024.

The next increase in senior workers' CPF contribution rates for workers aged above 55 to 65 will take place on 1 January 2027, as shown in [Table 2](#). The increase in contribution rates will be fully allocated to the CPF Retirement Account ("RA") to help senior workers save more for retirement. For members who have set aside the Full Retirement Sum ("FRS"), these contributions will be channelled to the CPF Ordinary Account ("OA"). With this increase in 2027, we will reach the target contribution rates for senior workers aged above 60 to 65.

The Government will provide employers with a one-year CPF Transition Offset to mitigate the rise in business costs due to this increase. The Offset will be equivalent to half of the 2027 increase in employer CPF contribution rates for every Singaporean and Permanent Resident worker they employ aged above 55 to 65 (see [Table 2](#)).

The Offset will be provided automatically, and employers do not need to apply.

Table 2: CPF Contribution Rates for Workers from 1 January 2027

Age Band	CPF Contribution Rates from 1 January 2027			CPF Transition Offset for 2027
	Total	Employer	Employee	
55 and below	37.0% (No change)			N.A.
Above 55 to 60	35.5% (+1.5%-pt)	16.5% (+0.5%-pt)	19.0% (+1%-pt)	0.25%-pt
Above 60 to 65	26.0% (+1.0%-pt)	13.0% (+0.5%-pt)	13.0% (+0.5%-pt)	0.25%-pt
Above 65 to 70	16.5% (No change)			N.A.
Above 70	12.5% (No change)			N.A.

Notes:

- The CPF contribution rates are stated as a percentage of wages above \$750 per month.
- The percentage point figures in parentheses refer to the increase in CPF contribution rates from 1 January 2027, compared to current rates as of 1 January 2026.

More Information

Measure	Contact Details
Increase in Senior Worker CPF Contribution Rates	Please contact CPF Board at cpf.gov.sg/contact-us
CPF Transition Offset	Please contact IRAS at go.gov.sg/askpayout .