

Singapore - Updates on Work Arrangements for Dependents



As reported in our prior [Tax Alert Issue 5 | March 2021](#), Singapore's Ministry of Manpower (MOM) has changed the rules for Dependant Pass (DP) holders seeking employment in Singapore. Previously, DP holders had the option to keep their DP and secure an additional authorisation, called a Letter of Consent (LOC), in order to work. However, from 1 May 2021, they need to obtain their own work pass — such as an Employment Pass (EP), S Pass, or Work Permit — and meet the applicable quota, levy, and eligibility requirements. DP holders who seek to start a new business and meet the qualifying criteria can apply for an LOC.¹

Why this matters

While the vast majority of DP holders move to Singapore to accompany the work pass holder and do not seek employment in the country, the updates by the MOM give additional guidance for those who want to work and the employers who wish to hire them.

With this policy update, it is important to note the differences of DP Work Permit holders as compared with those holding standard Work Permits. DP Work Permit holders are held to Work Permit industry standards such as foreign worker quota and levy, but as dependents of work pass holders, no rules for sourcing, medical examination, and security bond are applied.

Additional details on arrangements for dependent family members seeking to work

Following discussions with the business community, the MOM has provided additional details on the arrangements for dependent family members seeking to work in Singapore.

- If a DP holder is hired under an EP or S Pass, the criteria for salaries, education, and work experience will be the same as hiring any other EP or S Pass holder. The DP will be cancelled upon issuance of the EP or S Pass.
- If a DP holder is hired under a Work Permit, the DP will not be cancelled. The validity period of the DP Work Permit will be tied to that of the main pass holder's work pass duration. Relevant sector quota and levies will apply. However, as dependents of valid pass holders, the DP Work Permit holder will not be subject to the usual source requirements,² six-monthly medical examination, security bond, and pregnancy restrictions.

Our view

Employers should expect Singapore's foreign workforce policies to continue to be adjusted from time to time, to give fair consideration to Singaporean citizens and permanent residents, while remaining open and facilitative towards foreign nationals with knowledge and skills that complement local manpower.

How we can help

As a committed tax advisor to our clients, we welcome any opportunity to discuss the relevance of the above matters to your business.

¹ See full details on MOM's website: [Eligibility for LOC for DP holders who are business owners \(mom.gov.sg\)](https://www.mom.gov.sg/eligibility-for-loc-for-dp-holders-who-are-business-owners)

² As a rule, Work Permits (for semi-skilled foreign workers) may only be granted to nationals of certain countries, depending on the business sector (industry). Please refer to MOM's website: [Sector-specific rules for Work Permit \(mom.gov.sg\)](https://www.mom.gov.sg/sector-specific-rules-for-work-permit)



About Tax Alert

KPMG Tax Alert highlights the latest tax developments, impending change to laws or regulations, current practices and potential problem areas that may impact your company. As certain issues discussed herein are time sensitive it is advisable to make plans accordingly.

Tax Alert is issued exclusively for the information of clients and staff of KPMG Services Pte. Ltd. and should not be used or relied upon as a substitute for detailed advice or a basis for formulating business decisions.

To uncover more insights on the global tax implications of COVID-19, read our [COVID-19 Global Tax Developments Summary](#). Read more of our insights and perspectives at the [KPMG in Singapore Webpage](#)

Authors

Anna Low

Partner
Personal Tax & Global Mobility Services
T: +65 6213 2547
E: alow@kpmg.com.sg

Jo Ann Adams

Senior Manager
Personal Tax & Global Mobility Services
T: +65 6213 3165
E: joannadams@kpmg.com.sg

Contact us

Ajay K Sanganeria

Partner
Head of Tax
T: +65 6213 2292
E: asanganeria@kpmg.com.sg

BANKING & INSURANCE

Alan Lau

Partner
T: +65 6213 2027
E: alanlau@kpmg.com.sg

REAL ESTATE & ASSET MANAGEMENT

Teo Wee Hwee

Partner
T: +65 6213 2166
E: weehweeteo@kpmg.com.sg

Agnes Lo

Partner
T: +65 6213 2976
E: agneslo1@kpmg.com.sg

Anulekha Samant

Partner
T: +65 6213 3595
E: asamant@kpmg.com.sg

Leonard Ong

Partner
T: +65 6213 2038
E: leonardong@kpmg.com.sg

Stephen Banfield

Partner
T: +65 6213 3399
E: stephenbanfield@kpmg.com.sg

ENERGY, TECHNOLOGY, MEDIA & TELECOMMUNICATION

Gordon Lawson

Partner
T: +65 6213 2864
E: glawson1@kpmg.com.sg

Larry Sim

Partner
T: +65 6213 2261
E: larrysim@kpmg.com.sg

Harvey Koenig

Partner
T: +65 6213 7383
E: harveykoenig@kpmg.com.sg

Mark Addy

Partner
T: +65 6508 5502
E: markaddy@kpmg.com.sg

INFRASTRUCTURE, GOVERNMENT & HEALTHCARE

Chiu Wu Hong

Partner
T: +65 6213 2569
E: wchiu@kpmg.com.sg

Dean Rolfe

Partner
T: +65 6213 3199
E: deanrolfe@kpmg.com.sg

CONSUMER & RETAIL

Tan Chee Wei

Partner
T: +65 6213 2470
E: cheeweitan@kpmg.com.sg

CORPORATE TAX PLANNING & COMPLIANCE

Mak Oi Leng

Partner
T: +65 6213 7319
E: omak@kpmg.com.sg

Pauline Koh

Partner
T: +65 6213 2815
E: paulinekoh@kpmg.com.sg

Contact us

PERSONAL TAX & GLOBAL MOBILITY SERVICES

Anna Low

Partner
T: +65 6213 2547
E: alow@kpmg.com.sg

Lee Yiew Hwa

Principal Advisor
T: +65 6213 2866
E: yiewhwalee@kpmg.com.sg

TAX – DEALS, M&A

Adam Rees

Principal Advisor
T: +65 6213 2961
E: adamrees@kpmg.com.sg

INDIRECT TAX

Lam Kok Shang

Partner
T: +65 6213 2596
E: kokshanglam@kpmg.com.sg

Gan Hwee Leng

Partner
T: +65 6213 2813
E: hweelenggan@kpmg.com.sg

Shirley Shen

Partner
T: +65 6213 3288
E: shirleyshen@kpmg.com.sg

TRANSFER PRICING CONSULTING

Felicia Chia

Partner
T: +65 6213 2525
E: fchia@kpmg.com.sg

Lee Jingyi

Partner
T: +65 6213 3785
E: jingyilee@kpmg.com.sg

R&D & GRANTS CONSULTING

Harvey Koenig

Partner
T: +65 6213 7383
E: harveykoenig@kpmg.com.sg

PROPERTY TAX & DISPUTE MANAGEMENT

Leung Yew Kwong

Principal Advisor
T: +65 6213 2877
E: yewkwongleung@kpmg.com.sg

See Wei Hwa

Partner
T: +65 6213 3845
E: wsee@kpmg.com.sg

INDIA TAX SERVICES

Bipin Balakrishnan

Partner
T: +65 6213 2272
E: bipinbalakrishnan@kpmg.com.sg

US TAX SERVICES

Daniel Joe

Partner
T: +65 6213 2626
E: danieljoe@kpmg.com.sg

Curtis Ottley

Partner
T: +65 6213 3611
E: curtisottley@kpmg.com.sg

TAX GOVERNANCE

Pauline Koh

Partner
T: +65 6213 2815
E: paulinekoh@kpmg.com.sg

FAMILY OFFICE & PRIVATE CLIENTS

Stephen Banfield

Partner
T: +65 6213 3399
E: stephenbanfield@kpmg.com.sg

GLOBAL COMPLIANCE MANAGEMENT SERVICES

Cristina Alvarez-Ossorio

Partner
T: +65 6213 2688
E: cristinaalvarez@kpmg.com.sg

TAX TECHNOLOGY & TRANSFORMATION

Jenny Clarke

Partner
T: +65 6213 3123
E: jennyclarke@kpmg.com.sg

Catherine Light

Partner
T: +65 6213 2913
E: catherinelight@kpmg.com.sg

KPMG

16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
T: +65 6213 3388
F: +65 6220 9419
E: tax@kpmg.com.sg

Singapore Tax Firm of the Year – Asia Tax Awards 2020, *International Tax Review*

Asia Tax Firm of the Year – Asia Tax Awards 2020, *International Tax Review*

Asia Tax Innovator of the Year – Asia Tax Awards 2020, *International Tax Review*

For more information, please [view our tax services page](#).

kpmg.com.sg



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2021 KPMG Services Pte. Ltd. (Registration No: 200003956G), a Singapore incorporated company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.