

## Definition of Wages

**Mosque Building and Mendaki Fund (MBMF)** contribution is based on the Muslim employee's monthly total wages before CPF deduction. "Wages" means all remuneration including allowances payable to an employee in respect of work under his contract of service. This includes overtime pay, allowances, leave pay, cash rewards, incentives, commissions and bonuses.

The Muslim employee includes Singaporean, Permanent Resident and foreign worker holding an Employment Pass or Work Permit.

## Types of Payment to Employees

The table below is a general guide as to when to account for MBMF contributions on such payments.

Type of Payment	Description	Accounted for MBMF
Anniversary Cash Award	Payment to employees on company's anniversary	Yes
Annual Wage Supplement/ Bonus	Payment to employees at the end of the financial year	Yes
Attendance Allowance	Payment for good work and attendance	Yes
Commission	Payment to employees based on percentage of sales achieved	Yes
Cost of Living Allowance	Payment as part of employee's wages	Yes
Dirt Allowance	Payment for performing field duties	Yes
Education Allowance	Contractual payment for education of employee's children	Yes
	Payment made under employee's self-improvement programme	No
Education/Training Reimbursement	Reimbursement of course and examination fees as part of employee's training programme	No
Entertainment Allowance	Reimbursement for entertaining company's clients	No
Extra Duty Allowance	Payment made for extra work done; e.g. night duty, overtime, public holiday, acting allowance etc.	Yes
Festival Allowance	Cash gift (e.g. hongbao) given to employees during festive season	Yes
Finders Introduction Fees	Payment to employees for introducing workers to company	No
Gratuity	Payment to employees for good service while still in employment	Yes

Type of Payment	Description	Accounted for MBMF
	Payment to employees upon termination of employment, i.e. compensation in nature	No
Grooming Allowance	Payment to employees for enhancement of appearance	Yes
Hair Cut Allowance	Payment to employees for enhancement of appearance	Yes
Handphone & Pager Allowance	Payments to employees	Yes
Handphone & Pager	Forms part of the employer's expenditure & paid directly to third party e.g. service provider	No
Handphone & Pager Reimbursement	Reimbursement for actual expenses incurred for official purposes	No
Holiday Allowance	Fixed payment to employees for vacation	Yes
	Variable sum given as reimbursement for holiday expenses incurred by employees	No
Housing/Rental Subsidy	Payment to employees as housing rent	Yes
Housing Reimbursement	Forms part of the employer's expenditure and paid directly to third party e. g. landlord	No
Incentive Allowance	Cash payment incentive	Yes
	Incentive in kind e. g. token gifts	No
Laundry Reimbursement	Reimbursement for laundry expenses to uniformed employees	No
Laundry Allowance	Payment for laundry expenses for personal clothing of employees	Yes
Leave Pay	Payment in lieu of leave	Yes
Long Service Award	Cash award for long service	Yes
	Cash award given to employees with at least 5 years' service and every subsequent period of not less than 5 years' service, i.e. 5,10,15 and so on, <b>and</b> the cash award does not exceed the employee's Ordinary Wages for the month in which it is given. If the Long Service Award exceeds the Ordinary Wages, CPF is still payable on the amount in excess of the Ordinary Wages.	No
Maternity Allowance	Payment to female employees during confinement and in addition to monthly salaries	Yes
Maternity Subsidy	Reimbursement paid under company's maternity expenses scheme	No
Meal Allowance	Monthly lump sum payment to employees	Yes
Meal Reimbursement	Reimbursement for staying beyond working hours i.e. overtime	No

Type of Payment	Description	Accounted for MBMF
Personal Clothing Allowance	Payment to employees to enhance appearance	Yes
Probation Period Pay	Wages for employees on probation	Yes
Productivity Award	Cash award for staff productivity	Yes
Gifts in Kind	Award in kind e.g. token gifts	No
Sales Performance Award	Payment for attaining sales target	Yes
Service Charge	Collection by hotels/restaurants and distributed as part of wages to employees	Yes
Staff Welfare Benefits	Gifts in kind to employees on their marriage or birth of their children	No
Stand-by Allowance	Payment for stand-by duties	Yes
Student Pay	Wages paid to employees/registered students, including students who work after completing their "A" level examinations	Yes
	Wages paid to registered students as follows: a) School students working during their gazetted school holidays. (N.A. for tertiary students) b) 'N' & 'O' level school <u>leavers</u> working during the gazetted school holidays. c) "A" level students working during school holidays before their "A" level examinations.	No
	Registered students of any overseas tertiary education institution who are employed as follows: a) The student is employed without a letter from the tertiary education institution stating that the training is required as part of the student's curriculum	Yes
	b) The student is employed with <input type="checkbox"/> the employer submitting a letter from the tertiary institution to CPF, stating that the training is required as part of the student's curriculum, and <input type="checkbox"/> the training period does not exceed 6 months	No

Type of Payment	Description	Accounted for MBMF
	Registered students employed during vacation or term, under training programme approved by the following institutions: a) National University of Singapore b) Nanyang Technological University c) Nanyang Polytechnic d) Ngee Ann Polytechnic e) Singapore Polytechnic f) Temasek Polytechnic g) Institute of Technical Education h) Singapore Management University	No
Termination Benefits	Retirement gratuity, retrenchment pay, ex-gratia payment, salary in lieu of notice, severance pay, compensation for loss of employment	No
	Payment of temporary lay-off benefits	Yes
Tips	Cash collected from customers to augment wages of hotel and restaurant employees	Yes
Transport Allowance	Payment to subsidise employees' transport expenses	Yes
	Reimbursement for travel in the line of official duty	No
	Reimbursement for travel between home and workplace beyond normal working hours e.g. rest days and public holidays	No
	Reimbursement for travel from home/office to the place of assignment (not the normal place of work)	No
	Reimbursement for actual transport expenses where the employer is obliged to provide transport for employees and where the transport is not available	No
Workmen's Compensation	Payment awarded for injuries under the Workmen's Compensation Act	No