

CONTRIBUTION CERTIFICATE

The requirement to issue a contribution certificate only applies to hybrid and DB funds, and not to DC funds.

Please refer to the regulations issued in respect of paragraph 12D(5)(a)&(b) of the ITA, which applies to retirement funds which have a DB component.

5. Preparation required from employer

5.1 Obtain the contribution certificate from your fund

The fund will provide the employer with a contribution certificate in respect of each fund member category. This certificate will indicate the components of the fund, name of the fund, category factor etc.

5.2 Confirm type of fund

Confirm with your fund whether the fund is a defined contribution (DC), defined benefit (DB) or hybrid fund. This should be indicated on the contribution certificate issued by the fund.

5.3 Category factor

If the fund is a defined benefit or hybrid fund, the category factor is necessary to calculate the fringe benefit correctly. This should be obtained from the fund and entered into the applicable field on the payroll system.