

**Central Provident Fund (Revised Minimum Sum Scheme) (Amendment No. 2)
Regulations 1998**

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No. S 651

**CENTRAL PROVIDENT FUND ACT
(CHAPTER 36)**

**CENTRAL PROVIDENT FUND (REVISED MINIMUM SUM SCHEME)
(AMENDMENT NO. 2) REGULATIONS 1998**

In exercise of the powers conferred by section 77(1) of the Central Provident Fund Act, the Minister for Manpower, after consultation with the Central Provident Fund Board, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Central Provident Fund (Revised Minimum Sum Scheme) (Amendment No. 2) Regulations 1998 and shall come into operation on 1st January 1999.

Amendment of regulation 6

2. Regulation 6 of the Central Provident Fund (Revised Minimum Sum Scheme) Regulations (Rg 2) is amended by deleting paragraph (3) and substituting the following paragraphs:

“(3) For the purposes of this regulation —

(a) where the member attains the age of 55 years before 1st January 1999 or the member is exempted under paragraph 2(e), (n) to (r), (v) and (w) of the Retirement Age (Exemption) Notification (Cap. 274A, N 1) —

(i) the basic monthly income for the member shall be computed in accordance with the formula $230M/30,000$; and

(ii) the required retention amount for the member shall be computed in accordance with the formula $\frac{M(I-P)}{I}$;

(b) where the member attains the age of 55 years on or after 1st January 1999 —

(i) the basic monthly income for the member shall be computed in accordance with the formula $230M/30,000 \times (1.03) \times (1.03)$; and

(ii) the required retention amount for the member shall be computed in accordance with the formula $\frac{M(I-P)}{I}$.

(4) For the purposes of paragraph (3), the following abbreviations are used:

I is the basic monthly income of the member computed in accordance with paragraph 3 (a) (i) or (b) (i), as the case may be;

M is the minimum sum applicable to the member; and

P is the monthly income from the pension, annuity or other benefit received by the member at the time.

”.

Deletion and substitution of regulations 9 and 10

3. Regulations 9 and 10 of the Central Provident Fund (Revised Minimum Sum Scheme) Regulations are deleted and the following regulations substituted therefor:

“Payment from minimum sum in retirement account or in approved bank at age of 60 or 62 years and thereafter

9.—(1) Where the amount maintained as the minimum sum by a member is deposited in his retirement account or in an approved bank, the member may, subject to this regulation and regulation 10, on the date on which he attains —

- (a) the age of 60 years, in the case of a member who attains the age of 55 years before 1st January 1999, or who is exempted under paragraph 2(e), (n) to (r), (v) and (w) of the Retirement Age (Exemption) Notification (Cap. 274A, N 1); or
- (b) the age of 62, in the case of a member who attains the age of 55 on or after 1st January 1999,

and at every monthly interval thereafter, be paid from that amount and any interest accruing thereon, the specified monthly payment subject to a minimum of the subsistence amount set out in the Fourth Schedule until the amount maintained as the minimum sum has been exhausted or until his death, whichever is the earlier.

(2) Where a member and his spouse have set aside one and a half times the minimum sum in accordance with regulation 7, the amount which the member or his spouse may be paid from the amount they have jointly maintained as minimum sum on the date which the member or his spouse, as the case may be, attains —

- (a) the age of 60 years, in the case of a member or spouse who attains the age of 55 years before 1st January 1999, or who is exempted under paragraph 2(e), (n) to (r), (v) and (w) of the Retirement Age (Exemption) Notification (Cap. 274A, N 1); or
- (b) the age of 62, in the case of a member or spouse who attains the age of 55 on or after 1st January 1999,

and at every monthly interval thereafter, shall be an amount equal to the specified monthly payment unless otherwise approved by the Board in any particular case.

(3) Where a member and his spouse have jointly set aside one and half times the minimum sum in accordance with regulation 7 and one of the couple dies or the couple divorces, the amount that the surviving or divorced member or spouse may be paid from the amount maintained by the member or spouse as minimum sum shall, subject to a minimum of the subsistence amount set out in the Fourth Schedule, be computed in accordance with the formula:

(a)

$$\frac{230(M-S)}{30,000}$$

where the member or spouse is entitled to receive the specified monthly payment