

**Skills Development Levy Act  
(CHAPTER 306)**

**Table of Contents**

**Long Title**

**Part I PRELIMINARY**

**1 Short title**

**2 Interpretation**

**Part II SKILLS DEVELOPMENT LEVY**

**3 Imposition of levy**

**4 Exemption from levy**

**Part III SKILLS DEVELOPMENT FUND**

**5 Establishment of Fund**

**6 Government to contribute to Fund**

**7 Objects of Fund and expenditure of moneys of Fund**

**8 Transfer to Agency of moneys in Fund and administration of Fund**

**9 Delegation of functions of Agency and reimbursement**

**10 Investment**

**Part IV MISCELLANEOUS**

**11 Penalty for false return or information**

**12 Penalty for obtaining grants or loans by false or misleading statements**

**13 Repayment**

**14 Offences by body corporate, etc.**

**15 Power to obtain information and call for returns**

**16 Penalty for obstructing Agency in carrying out its duties**

**17 Composition of offences**

**18 Consent of Public Prosecutor**

**19 Directions by Minister**

**20 Financial provisions**

**21 Annual report**

**22 Preservation of secrecy**

**23 Public servants**

**24 Priority in case of bankruptcy or winding up**

**25 Regulations**

**FIRST SCHEDULE Financial provisions**

**SECOND SCHEDULE Matters in respect of which Agency may make regulations**

**Legislative History**

# SKILLS DEVELOPMENT LEVY ACT

## (CHAPTER 306)

(Original Enactment: Act 30 of 1979)

REVISED EDITION 2012

(31st May 2012)

An Act to impose a skills development levy on employers and for the establishment of a Skills Development Fund and for purposes connected therewith.

[1st October 1979]

### PART I

#### PRELIMINARY

##### Short title

1. This Act may be cited as the Skills Development Levy Act.

##### Interpretation

2. In this Act, unless the context otherwise requires —

“Agency” means the Singapore Workforce Development Agency established under the Singapore Workforce Development Agency Act (Cap. 305D);

“employee”, in relation to a month, means an employee rendering in that month services wholly or partly in Singapore and an employee who is on leave during that month where such leave is attributable to services rendered wholly or partly in Singapore in any previous month, but does not include any domestic servant, gardener or chauffeur, wholly and exclusively employed by an individual otherwise than in connection with his trade, business, profession or vocation;

“employer” means any person who pays or is liable to pay any remuneration to an employee;

“Fund” means the Skills Development Fund established under section 5;

“remuneration” means any wages, salary, commission, bonuses, allowances (including a housing allowance or other like allowance) or other emoluments paid in cash by or on behalf of an employer to an employee, and includes any

leave pay;

“skills development levy” or “levy” means skills development levy imposed by this Act.

[19/91; 1/96; 14/2003]

## PART II

### SKILLS DEVELOPMENT LEVY

#### Imposition of levy

**3.**—(1) Subject to the provisions of this Act, every employer shall, in respect of each of his employees, pay a skills development levy of the following amount:

- (a) subject to subsection (1A), at the rate of 0.25% of the remuneration in any month of that employee or such rate as the Minister may, by notification in the *Gazette*, prescribe; or
- (b) \$2,

whichever is the greater.

[20/2008]

(1A) For the purpose of subsection (1)(a), the levy shall not be chargeable on the part of the remuneration of the employee in any month that exceeds \$4,500 or such other amount as the Minister may, by notification in the *Gazette*, prescribe.

[20/2008]

(2) The levy shall be collected and paid in respect of the month of October 1979 and every subsequent month.

(3) *[Deleted by Act 20 of 2008]*

(4) Without prejudice to any other remedy, the levy may be recovered as a debt due to the Agency from the person accountable therefor.

[19/91; 35/96; 14/2003]

#### Exemption from levy

**4.**—(1) *[Deleted by Act 20 of 2008]*

(2) *[Deleted by Act 20 of 2008]*

(3) The Minister may by order —

- (a) exempt wholly or partly any employer or class of employers from skills development levy in such circumstances and subject to such conditions as

- may be specified in the order; and
- (b) provide that the charge and collection of skills development levy shall not have effect for such period as may be specified in the order, if he considers it expedient in the public interest to do so.

### PART III

#### SKILLS DEVELOPMENT FUND

##### **Establishment of Fund**

**5.**—(1) On 1st October 1979, there shall be established a Fund to be called the Skills Development Fund.

[19/91]

(2) The Fund shall consist of —

- (a) the proceeds of the skills development levy collected under this Act;
- (b) all penalties, fines and costs recovered from proceedings under this Act;
- (c) all sums received for the composition of any offence under section 17;
- (d) all moneys contributed by the Government to the Fund under section 6 and such other contributions to the Fund as the Minister may specify from moneys provided by Parliament;
- (e) all donations and gifts accepted by the Agency for the Fund;
- (f) all honorariums and other payments accepted by the Agency for any services rendered by the Agency in connection with the performance of its functions under this Act; and
- (g) any interest, dividends and other income derived from the investment of moneys in the Fund.

[35/96; 14/2003]

##### **Government to contribute to Fund**

**6.** The Government shall contribute monthly to the Fund an amount equal to the amount of levy which would be chargeable in any month on an employer in respect of each employee employed by the Government as if that employee were employed by a private person.

##### **Objects of Fund and expenditure of moneys of Fund**