

Singapore Work Pass Update & Upcoming Regulation of HK Corporate Service Providers

January 2018



SINGAPORE WORK PASS UPDATE

Dependant privileges for work pass holders

- MOM has reviewed the qualifying salary criteria for work pass holders to qualify for dependant privileges
- From 1 Jan 2018, work pass holders must meet a minimum fixed monthly salary of:
 - S\$6,000 to bring in their spouse / children (on a Dependant's Pass (DP))
 - S\$12,000 to bring in their parents (on Long Term Visit Pass (LTVP))

Impact on existing dependants (DP and LTVP)

- To reduce disruption to families already in Singapore or arriving soon, DP/LTVPs issued/approved before 1 Jan 2018 will remain valid as long as the main pass holder has a valid Employment or S Pass.
- Dependants who renew their passes on or after 1 Jan 2018 will not be affected provided the main pass holder remains with the same employer.

Impact on existing dependants (DP and LTVP)

- If an EP / S Pass holder changes employer:
 - Any change in employer from 1 Jan 2018 will be regarded as a new application where the revised salary criteria must be met to retain dependant privileges.
- For Entrepass / Personalised Employment Pass (PEP) holders:
 - Changes will not apply to the dependants. Dependant privileges for EntrePass holders are assessed based on a different set of criteria. PEP has qualifying requirements that are already more stringent than the revised criteria for dependant privileges.



RESTRICTION ON SECONDARY DIRECTORSHIPS FOR EP HOLDERS

Granting of LOC

Introduction:

- MOM now prohibits an EP holder from being a director of another entity, unless prior approval is obtained.
- If approved, MOM will grant the EP holder a Letter of Consent (LOC).

MOM will generally grant an LOC only if:

- The EP holder's company is related by shareholding to the company seeking to appoint the EP holder as a director.
- EP holder is taking up the secondary directorship for purposes related to their primary employment.



SINGAPORE BUDGET TO BE PRESENTED ON MONDAY 19 FEBRUARY 2018

Singapore Budget 2018

- This year's Budget is eagerly awaited , coming after the Prime Minister said last November that taxes are set to go up as government spending increases.
- Experts expect an announcement at this year's Budget that the goods and services tax (GST), currently 7%, will be raised within the next few years.
- Other tax changes are also expected to be announced.
- We will send our analysis of the Budget to clients and friends shortly after the announcement.



UPCOMING REGULATION OF HONG KONG CORPORATE SERVICE PROVIDERS

Introduction

- HK Government has initiated measures to enhance the regulatory regime to combat money laundering and terrorist financing by proposing to introduce a new licensing regime for trust and company service providers (“TCSPs”).

Changes

On 28 June 2017, the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions)(Amendment) Bill 2017 and Companies (Amendment) Bill 2017 was introduced into the Legislative Council.

The following changes were implemented:

1. New licensing regime for trust and company service providers (“TCSPs”)
2. Keeping of significant controllers register by companies

New Licensing Regime for TCSPs

- TCSPs will be required to apply for a licence from the Registrar of Companies and satisfy a “fit-and-proper” test before they can provide trust or company services as a business in Hong Kong
- The regime will apply statutory customer due diligence and record-keeping requirements to TCSPs when they engage in specified transactions
- These rules are expected to take effect from **1 March 2018**

Keeping of Significant Controllers Register by Companies

- This change aims to enhance transparency of the beneficial ownership of companies
- Companies incorporated in Hong Kong are required to identify the persons who have significant control over the company and to maintain a significant controllers register for inspection by law enforcement officers upon demand.



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