

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

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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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