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## A Guide to Overseas Expansion: Singapore (Employment Pass)

### Overview

Located at the centre of Southeast Asia, Singapore is an ideal location for businesses seeking to expand their presence in the Asia-Pacific region. Singapore has excellent infrastructure and a highly educated and skilled workforce, and Singapore also has a reputation for being one of the most accessible places in the world to do business.

To establish a company in Singapore, it is crucial to understand the legal requirements and procedures involved. Singapore has a well-developed regulatory framework that promotes a conducive business environment, but navigating the various steps can be challenging for those unfamiliar with Singapore's local laws.

Read a summary on how to establish a company in Singapore and explore the range of employment passes available to expatriates.

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# Advantages of Singapore Company Registration

## Flexible Operation Mode

Establishing a Singapore-registered company not only ensures the business can operate locally and enjoy the relevant tax incentives where applicable but can also be used to operate its offshore business.

## Excellent Company Reputation

The Singapore government has a strict registration approval system for registering Singapore companies, and at least one Singapore local director is required as a guarantee. A strict system is also in place for subsequent company maintenance, which protects Singapore companies. Hence, enjoying an excellent company reputation.

## Comply with Laws and Regulations to Avoid Onerous Corporate Taxes

Singapore companies are required to file their corporate income tax annually, with a tax rate of only 17% based on profit taxation, and partial exemption is possible. Moreover, the Singapore Economic Development Board (EDB), Enterprise Singapore (ESG), Singapore Tourism Board (STB), and Inland Revenue Authority of Singapore (IRAS), among other government entities, offer various tax incentives and relief measures.

## Advanced Financial System

Due to the absence of foreign exchange and repatriation controls on corporate capital and profits within Singapore, companies benefit from a deep and liquid capital market, enabling easier fundraising.

## Open Economic Policy

Thanks to the government's promotion of an open policy, Singapore companies enjoy the freedom of international trade without protectionist measures or barriers. Additionally, the Singapore government has signed numerous free trade agreements (FTAs) and investment protection agreements with several countries, including China, Japan, South Korea, the United States, India, and ten ASEAN countries.

## Global Business Hub

Situated at the crossroads of the Strait of Malacca, Singapore is a world-class transportation hub for land, sea, and air. Companies based in Singapore can leverage the integrated sea, land, and air infrastructure to connect goods and services to any destination worldwide seamlessly.

## Possibility of Listing and Financing

Singapore companies can access the global capital market through the Singapore Stock Exchange, as exemplified by the successful listings of companies such as China Aviation Oil and China COSCO Investment.

## The Possibility of Immigrating to Singapore

By operating a Singapore company and paying taxes, shareholders can immigrate to Singapore with their entire family, providing both business and immigration benefits.

# Requirements for Singapore Company Registration

To register a business in Singapore, individuals are required to adhere to the procedures mandated by Singapore's Accounting and Corporate Regulatory Authority (ACRA) as stated below:

Requirements	Remarks
<b>Company Name</b>	<ul style="list-style-type: none"><li>The company name must be in English. Chinese name registration is currently not accepted.</li><li>The proposed company name cannot be identical to an existing name or contain prohibited and undesirable words.</li></ul>
<b>Company Registered Address</b>	The company must provide a local registered address in Singapore.
<b>Company Business Scope</b>	Singapore company can choose up to 2 business items.
<b>Company Share Capital</b>	Share capital can be issued with or without full payment from shareholders. The minimum issued share capital of a Singapore company is S\$1, and there is no upper limit. No stamp duty is levied.
<b>Financial Year</b>	You can choose any date as the company's financial year end (FYE) and the accounting period can be 12 months or over 52 weeks. However, the company's first financial year cannot exceed 18 months.
<b>Company Director</b>	The company must have at least one director who is a local resident in Singapore and is at least 18 years old with full legal capacity.
<b>Shareholder Qualifications</b>	There are no restrictions on the composition of a Singapore company's shareholders. A shareholder may be an individual, a company or a limited liability partnership.
<b>Commercial Secretary</b>	Companies must appoint a company secretary locally resident in Singapore within 6 months of the date of incorporation. This position is responsible for the company's administration and is also required to ensure that all the directors and shareholders are aware of the deadlines for annual returns and any other filings required by ACRA.
<b>Company Audit</b>	Companies must conduct annual statutory audit according to the Singapore Companies Act. However, small companies can be exempted from auditing if they meet the following conditions: <ul style="list-style-type: none"><li>(a) The small company is a private company throughout the financial year; and</li><li>(b) The small company satisfies <b>any 2 of the following criteria</b> for each of the 2 financial years immediately preceding the financial year:<ul style="list-style-type: none"><li>(i) The revenue does not exceed S\$10 million;</li><li>(ii) The value of the company's total assets does not exceed S\$10 million;</li><li>(iii) It has no more than 50 employees.</li></ul></li></ul>

Source: [ACRA](#)

# Required Materials for Singapore Company Registration

## Personal Data of Shareholders and Directors

- NRIC and full name
- Nationality
- Contact information (telephone number and e-mail address)
- Residential address

## Company Shareholder Information

- Copy of company registration certificate
- Copy of company's certificate of incorporation
- Company address
- Company contact information (telephone number and e-mail address)

## Types of Singapore Work Pass

Several types of employment passes are issued to foreign professionals who wish to work in the country. These passes are issued by the Ministry of Manpower (MOM) and are designed to cater to different levels of expertise and skill sets.

Each type of employment pass has its eligibility requirements, and the processing time and validity of each pass varies. Employers in Singapore are responsible for applying for the employment pass on behalf of their foreign employees.

	Employment Pass (EP)	Personalised Employment Pass (PEP)	Technology Pass (Tech.Pass)	Overseas Networks & Expertise Pass (ONE Pass)
<b>Company Quota</b>	No	No	No	No
<b>Job Advertisement</b>	14 days	No	No	No
<b>Minimum Salary</b>	Non-Finance: S\$5,000  Finance: S\$5,500 <i>*Increases with age</i>	Existing EP holder: S\$12,000  First time applicant: S\$18,000	S\$20,000	S\$30,000
<b>MOM Processing Time</b>	10 workdays	8 weeks	8 weeks	4 weeks
<b>Pass Duration</b>	Up to 2 years	Up to 3 years	2 years	5 years
<b>Is it Renewable?</b>	Up to 3 years	Cannot renew	2 years	5 years



	Employment Pass (EP)	Personalised Employment Pass (PEP)	Technology Pass (Tech.Pass)	Overseas Networks & Expertise Pass (ONE Pass)
Directorship	Yes	Yes	Yes	Yes
Start a Business	No	No	Yes (Technology)	Yes
More than 1 employer	No	Get MOM approval	Yes	Yes
Dependent Pass	Yes	Yes	Yes	Yes
Can the spouse work?	Need to apply EP	Need to apply EP	Need to apply EP	Letter of Consent

Source: [MOM](#)

## Employment Pass (EP)

### Introduction

- The Employment Pass allows foreign Professionals, Managers, Executives, and Technicians (PMET) with a job offer in Singapore.
- An employer or appointed employment agent needs to apply on behalf of the candidate.

### Key Features

- From 1 September 2023 onwards, the minimum qualifying salary for new applications and renewals will be **at least S\$5,000** and progressively increases with age from 23, up to S\$10,500 at age 45 and above.
- Pass duration varies: First-time candidates will be **up to 2 years**, and renewals will be **up to 3 years**. Experienced tech professionals with skills in shortage may be eligible for a longer 5-year duration pass.

### Eligibility Criteria

- Have a job offer in Singapore.
- Have acceptable educational (good university degree), professional qualifications, or specialised skills.
- Before 1 September 2023, the minimum qualifying salary for renewals will be S\$4,500 and increase progressively with age from 23 up to S\$9,300 at age 45 and above.
- Starting from 1 September 2023, in addition to meeting the qualifying salary, EP candidates must also pass a points-based **Complementarity Assessment Framework (COMPASS)**.

# Personalised Employment Pass (PEP)

## Introduction

- This pass is offered to high-earning Employment Pass holders and overseas foreign professionals.

## Key Features

- No need for local company sponsors to apply for PEP.
- Under PEP, you do not need to reapply for a new pass if you change jobs; you only need to **notify MOM** of the changes.
- Pass holders have greater job flexibility than with other work passes.

## Eligibility Criteria

- Applicable for overseas foreign professionals with a last drawn fixed monthly salary of **at least S\$18,000**, or an **existing EP holder** earning a fixed monthly salary of at least S\$12,000.
- Candidate must not be unemployed in Singapore for **more than 6 months** at any time.
- Must earn a fixed salary of **at least S\$144,000** per calendar year, regardless of the number of months you are employed.

# Tech.Pass (Technology Pass)

## Introduction

- Tech.Pass is a visa that allows established tech entrepreneurs, leaders, or technical experts from around the world to come to Singapore to perform frontier and disruptive innovations.
- The pass is administered by the Singapore Economic Development Board (EDB).

## Key Features

- As an individualised pass, Tech.Pass holders can take on multiple roles concurrently in Singapore, such as:
  - Start and operate one or more tech companies;
  - Be an employee in one or more Singapore-based companies at any time;
  - Be a consultant or mentor, lecture in local institutions of higher learning; and/or
  - Be an investor or director in one or more Singapore-based companies.
- There is no need for Tech.Pass holders to apply for different passes as they transit between activities.
- The pass will be **valid for 2 years** in the first instance, and can be renewed for another 2 years, upon meeting renewal criteria.

## Eligibility Criteria

Applicants must satisfy **any 2 of the following conditions**:

- Have a last drawn fixed monthly salary (in the last 1 year) of **at least S\$20,000**.
- Have **at least 5 cumulative years of experience** in a leading role in a tech company with a valuation/market cap of at least US\$500 million or at least US\$30 million funding raised.
- Have **at least 5 cumulative years of experience** in a leading role in the development of a tech product that has at least 100,000 monthly active users or at least US\$100 million annual revenue.

# Overseas Networks & Expertise Pass (ONE Pass)

## Introduction

- The Overseas Networks & Expertise Pass is a personalised pass for top talent across all sectors, including in business, arts and culture, sports, academia, as well as academia and research.

## Key Features

- ONE Pass gives you greater employment flexibility:
  - You can concurrently start, operate, and work for multiple companies at any one time.
  - You do not need to reapply for a new pass if you change jobs.
- ONE Pass has a longer validity and is **renewable for 5 years** each time.
- Family members will be able to join you in Singapore with a Dependant's Pass or Long-Term Visit Pass. Your spouse will be able to work in Singapore on a **Letter of Consent** while holding a Dependent's Pass.

## Eligibility Criteria

Applicants must satisfy **any of the following** criteria:

- Earn a fixed monthly salary of **at least S\$30,000** (or its equivalent in foreign currency) within the last 1 year.
- Will earn a fixed monthly salary of **at least S\$30,000** under their prospective employer based in Singapore.
- Individuals with outstanding achievements in the arts and culture, sports, as well as academia, and research can qualify for ONE Pass without meeting the salary criterion.



# Work Pass Application Process

## STEP 01

### Prepare Documents

- Complete application form and prepare supporting documents
- Post job advertisement and select from local talent pool (if applicable)

### Submit Application

- Online submission via Ministry of Manpower (MOM) Portal

## STEP 02

## STEP 03

### Appeal

- Submit appeal (if first submission is rejected)

### Issuance

- Submit pass issuance details on MOM portal
- Make appointment for MOM card registration

## STEP 04

## STEP 05

### Card Registration

- Pass applicant to proceed to MOM in person to register card details

### Deliver Card

- MOM to deliver card to applicant or authorised recipients

## STEP 06



# The Big Round Up

It is essential to do your research and have a firm understanding of the regulatory environment, licensing requirements, and other factors that may impact your business. Consider consulting BIPO's business advisors to ensure that you comply with all necessary regulations and have a firm understanding of Singapore's business customs.

With the right strategy, Singapore can be an excellent place to start and grow your business.



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## About BIPO

Established in 2010 and headquartered in Singapore, BIPO is a **global payroll and people solutions provider**. We offer a total workforce solution that includes our Human Capital Management (HCM) suite, Global Payroll Outsourcing (GPO) and Employer of Record (EOR) service across **150+ global markets**.

Connect with our experts today: [hello@biposervice.com](mailto:hello@biposervice.com)

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