



# Uplifting Employment Credit (UEC)



## Announcement:

The last date to apply UEC for ex-offenders hired in 2023 was **31 Jan 2024**. The UEC application process for ex-offenders hired in 2023 is now closed.

The Uplifting Employment Credit (UEC) is a wage offset scheme introduced by the Government at Budget 2023 to support employers who hire ex-offenders.

## What is the UEC?

### Uplifting Employment Credit (UEC)

To support the employment of ex-offenders, the UEC will be given to employers who hire local ex-offenders (Singapore Citizen or Permanent Resident) earning below \$4,000 and released within three years prior to employment.

The UEC provides a wage offset of up to 20% of the employees' monthly income, capped at \$600 per month for each employee for the first nine months of employment. The scheme will be applicable to ex-offenders hired from April 2023 to December 2025.

## Who qualifies for the UEC?

Employers who hire ex-offenders earning a monthly wage of below \$4,000 and have made timely mandatory CPF contributions for the employee will qualify for the payout. Wages paid to business owners<sup>1</sup> or employers trading in their own personal capacity<sup>2</sup> will not be eligible for the UEC, even if they made CPF contributions for themselves through their entity.

---

<sup>1</sup>Business owners are defined as follows:

- a. Sole proprietor of a sole proprietorship
- b. Partners of a partnership (including general partnerships, limited liability partnerships and limited partnerships); and
- c. Both a shareholder and director of a company. The definition of director is as set out in Section 4(1) of the Companies Act. For companies limited by guarantee, this applies to employees who are both members and directors of the company.

<sup>2</sup>Employers trading in their own personal capacity include, but are not limited to, hawkers who do not have UEN, and employers hiring local personal drivers or local domestic helpers.

Local government agencies, International Organisations and businesses not registered in Singapore do not qualify for the schemes.

The full employer exclusion list is appended:



## How do employers apply for the payouts?

Employers who hire ex-offenders through Yellow Ribbon Singapore, Industrial & Services Co-operative Society (ISCOS)<sup>3</sup> and halfway houses in contract with Singapore Prison Service do not need to apply for the payouts. Payouts will be disbursed automatically to eligible employers.

Other employers of ex-offenders can apply to IRAS. The application period will commence at the end of April 2024, and the closing date for applications for ex-offenders hired in each year is 31 Jan of the following year. For example, the cut-off date for UEC applications for ex-offenders hired in 2023 is 31 Jan 2024.

The applications will be processed according to the annual payout schedule, and IRAS will notify eligible employers of the UEC amount payable to them.

<sup>3</sup>For ISCOS, up to 31 May 2023

## When will employers receive the payouts?

The UEC payout for wages paid from January to December will be disbursed in May of the following year.

## How do employers receive the payouts?

In line with Singapore’s Smart Nation efforts, all payouts will be disbursed through GIRO or PayNow Corporate. No cheques will be issued for the payouts.

Payouts will be credited to employers’ GIRO bank account linked for the payment of Income Tax/GST. For those without IRAS GIRO arrangement, the payouts will be made to the bank account that is registered with PayNow Corporate<sup>4</sup>. To receive UEC payouts, employers who have yet to sign up for these payment modes are required to do so.

<sup>4</sup>Organisations can sign up for PayNow Corporate by linking their organisation’s UEN (without suffix) [e.g. ROC (2019XXXXXA), ROB (531XXXXXA), UEN (T19LLXXXXA)] to their bank account via internet banking.

## How is each payout computed?

Monthly Wage of ex-offender employee (\$)	Payout
≤ \$3,000	20% of wage
>\$3,000 to <\$4,000	\$2,400 - (0.6*wage)

## How will the Government detect abuse of the schemes?

The Government takes a serious view on any attempt to abuse the scheme. Offenders may have their payouts denied and can be charged under Section 420 of the Penal Code, where they may face up to 10 years of imprisonment and a fine.

Businesses or individuals who wish to report to IRAS any malpractices or potential abuses of the UEC may do so via email to

[scheme\\_report@iras.gov.sg](mailto:scheme_report@iras.gov.sg) or online at [go.gov.sg/schemereport](https://go.gov.sg/schemereport). IRAS will ensure that the identities of informants are kept strictly confidential.

UEC Infographic

## Contacting IRAS

If there are queries that have not been addressed on this site, please send them to us via [go.gov.sg/askUEC](https://go.gov.sg/askUEC). You can also [chat with us online](#) or call us at 6351 3299 during our office hours between 8am and 5pm from Monday to Friday.

## FAQs

### A. Payment mode

+ EXPAND ALL

Can I instruct IRAS to make the payout to a third party?

Why is IRAS not issuing cheques for the schemes?

### B. Declining and Returning Payout

Can I decline the payout if I do not need the support?

### C. Other Questions

+ EXPAND ALL

Do I get taxed on the payout?

Why is my firm not automatically eligible for support under the UEC for hiring ex-offenders directly instead of going through Yellow Ribbon Singapore or its partners?

## Inland Revenue Authority of Singapore

[News & Events](#)


[Useful links](#)

[SUBSCRIBE TO OUR eALERTS](#)

[Contact Us](#)

[Feedback](#)



[Report Vulnerability](#) 

[Privacy Statement](#)

[Terms of Use & Browser Compatibility](#)

[Sitemap](#)

© 2024, Government of Singapore

Last updated on 15 February 2024