

What are the retirement sums - Basic Retirement Sum (BRS), Full Retirement Sum (FRS) and Enhanced Retirement Sum (ERS)?

Planning for your retirement is easier with the retirement sums – Basic Retirement Sum (BRS), Full Retirement Sum (FRS), and Enhanced Retirement Sum (ERS). They provide a guide on the CPF savings you need to reach your desired monthly payouts in retirement. The BRS is meant to provide you with monthly payouts in retirement to cover basic living needs, excluding rental expenses. The FRS is two times of BRS and can provide you with higher monthly payouts that also cover rental expenses. That is why when you turn 55, your CPF savings up to your FRS is set aside in your Retirement Account (RA) to provide you with monthly payouts in retirement. If you own a property in Singapore with remaining lease that lasts you until you are 95 or older, you have the flexibility to meet your FRS with a mixture of property (up to half your FRS) and cash, and can apply to withdraw part of your RA savings down to your BRS using your property. If you wish to receive even higher payouts for your desired retirement lifestyle, you can choose to set aside more by making a top-up, up to the current ERS. The ERS is the maximum amount that you can top up to your RA, and is increased yearly for those who wish to receive higher payouts. From 2025, the ERS will be raised from 3 times the BRS to 4 times to enable members to voluntarily commit more savings for even higher payouts. To find out how much you can top up, log in to your Retirement dashboard. See what are the retirement sums applicable to you. Ultimately, how much you set aside depends on your CPF balances and desired monthly payouts. It's important to plan ahead by assessing how much payouts you need to meet your expenses in retirement. Find out using the CPF LIFE Estimator.