



Amendment of Minimum Level of Relevant Income for MPF Contributions to \$6,500, with effect from 1 November 2011

The Legislative Council has passed the amendment of minimum level of relevant income¹ for Mandatory Provident Fund (MPF) contributions. The monthly minimum level of relevant income has been amended to **\$6,500**, effective **1 November 2011**, from the original level of \$5,000. For the contribution periods (wage periods in general) starting on or after the effective date, employees with a monthly relevant income less than \$6,500 are not required to make the employee's part of contribution, but their employers have to make the employer's part of contribution. Self-employed persons with relevant income less than \$6,500 monthly or \$78,000 yearly do not have to make contributions.

For the contribution periods starting from 1 November 2011, employers, employees and self-employed persons should make MPF contributions according to the following tables:

(1) Regular employees and self-employed persons

(i) Monthly paid regular employees and their employers

Monthly relevant income	Mandatory contribution amount	
	Employer's contributions	Employee's contributions
Less than \$6,500	Relevant income x 5%	Not required
\$6,500 - \$20,000	Relevant income x 5%	Relevant income x 5%
More than \$20,000	\$1,000	\$1,000

(ii) Self-employed persons making contributions on monthly or yearly basis

Relevant income		Mandatory contribution amount
Monthly	Yearly	
Less than \$6,500	Less than \$78,000	Not required
\$6,500 - \$20,000	\$78,000 - \$240,000	Relevant income x 5%
More than \$20,000	More than \$240,000	\$1,000 (per month) or \$12,000 (per year)

(2) Casual employees in the catering and construction industries enrolled in Industry Schemes

For casual employees who are members of Industry Schemes, the daily minimum level of relevant income has been amended to **\$250** from the original level of \$160, effective 1 November 2011.

Daily paid casual employees and their employers			Non-daily paid casual employees and their employers (e.g. paid on a weekly or bi-weekly basis)		
Daily relevant income	Mandatory contribution amount		Average daily relevant income ²	Mandatory contribution amount	
	Employer's contributions	Employee's contributions		Employer's contributions	Employee's contributions
Less than \$250	\$7.5	Not required	Less than \$250	Relevant income x 5%	Not required
\$250 or more but less than \$260	\$13	\$13	\$250 to \$650	Relevant income x 5%	Relevant income x 5%
\$260 or more but less than \$390	\$15	\$15			
\$390 or more but less than \$520	\$22.5	\$22.5			
\$520 to \$650	\$30	\$30			
More than \$650	\$30	\$30	More than \$650	\$32.5 per day	\$32.5 per day

¹ "Relevant income" refers to any wages, salary, leave pay, fee, commission, bonus, gratuity, perquisite or allowance (including housing allowance or other housing benefit), expressed in monetary terms, paid by an employer to an employee. It does not include any severance or long service payments under the Employment Ordinance.

² For the calculation of the average daily relevant income, please refer to the "MPF Industry Schemes" leaflet.

Complementary action by employers

- Employers need to ensure that their programme/system for calculating contributions has been updated and the contribution amount is in accordance with the new level for the contribution periods starting from 1 November 2011.

Complementary action by self-employed persons

- If your monthly relevant income is from \$5,000 to less than \$6,500 or your annual relevant income is from \$60,000 to less than \$78,000, your trustee will automatically update your contribution arrangement.
- If you have forgotten the relevant income reported to your trustee earlier, you may contact your trustee.

Friendly reminders for employees

- If your monthly relevant income is from \$5,000 to less than \$6,500, for the contribution periods starting from 1 November 2011, you should pay attention to whether your employer has made the employer's part of contribution and no longer deducts the employee's part of contribution from your salary. **However, for contribution periods which start before 1 November 2011, you still need to make the employee's part of contribution.**
- You can call the MPF Contribution Enquiry Line at 183 3030 to connect to your selected trustee to check if your employer has contributed accurately and punctually for you.

For further details about the amendment of the minimum level of relevant income for MPF contributions, please refer to the leaflet published by the MPFA or visit the MPFA website www.mpfa.org.hk. For enquiries, please contact the MPFA, your employer or the trustee concerned.

Hotline : 2918 0102

Website : www.mpfa.org.hk



MANDATORY PROVIDENT FUND
SCHEMES AUTHORITY