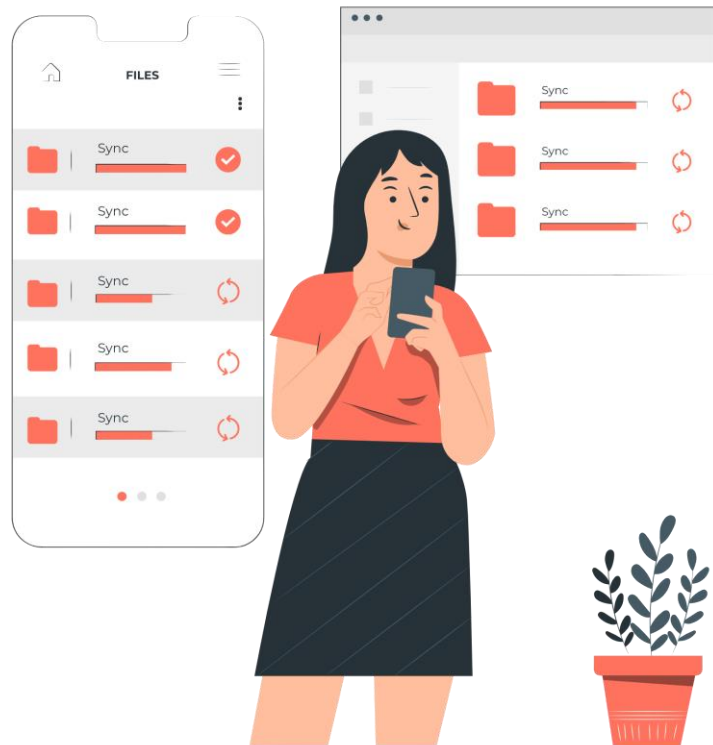




SINGAPORE KNOWLEDGE SERIES #18 – AIS FILING



Auto Inclusion Scheme (AIS)

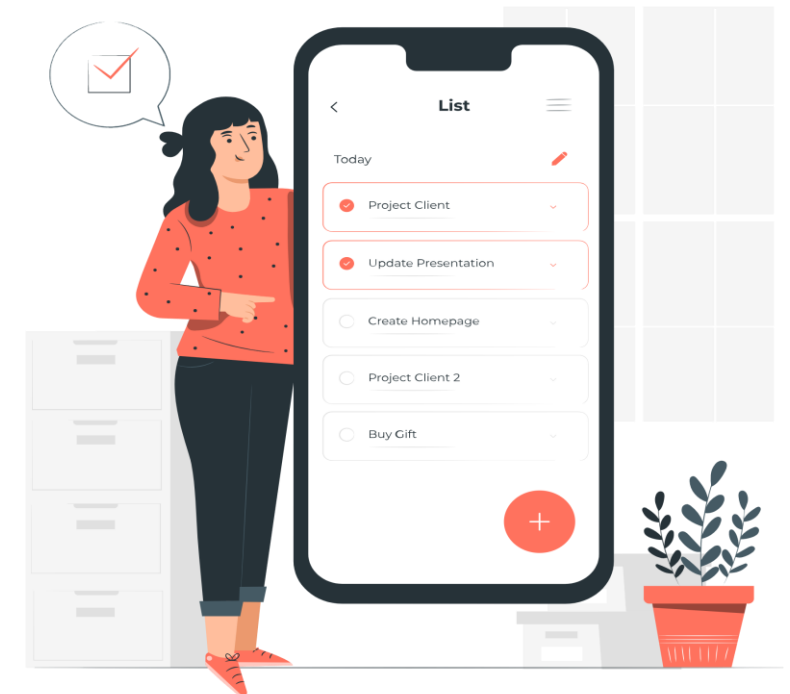


The Auto Inclusion Scheme (AIS) is a scheme to **simplify** the Income tax filing for employees. It enables the employers to **electronically submit** the employment income information of their employees to the IRAS. The purpose of this scheme is to **facilitate the calculation** of income taxes for the **employees** by considering the employment income information provided **by their employers through AIS** .

Participation for AIS

From YA 2022, participation in the AIS is **compulsory for employers with 5 or more employees** and it includes the different categories of employees specified below. However, employers who have **less than 5** employees are encouraged to join the AIS as **Voluntary AIS Participation**.

- Full-time and Part-time resident employees
- Non-resident employees including those who are based overseas but render service in Singapore during the year
- Company directors including non-resident directors
- Board members receiving Board/ Committee Member Fees
- Pensioners; and
- Employees who have left the organisation but were in receipt of income in the reporting year;



AIS participation is also compulsory for employers who have received the Notice to File Employment Income of Employees Electronically under AIS. For the purposes of AIS registration, the word "**employee**" **includes all directors** and anybody with whom you must submit **Form IR8A** (Refund of Employee Remuneration) or **Form IR21** (Notice of termination of employment or departure of a non-Singaporean employee from Singapore).

Forms filing for AIS

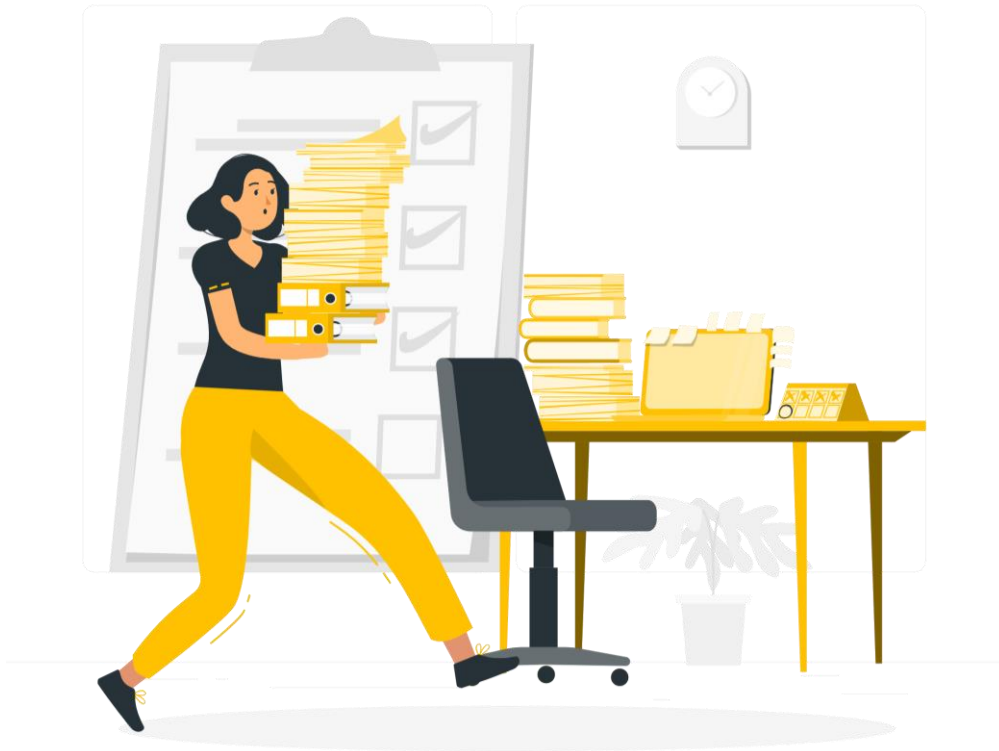
Companies registering for AIS must file the following four types of forms. The first form (Form IR8A) is mandatory and the rest three forms are supporting documents to the main Form IR8A. They are as follows:

Type of Forms	Purpose of the form
Form IR8A	This form is used to report the total compensation received by full-time and part-time resident employees, non-resident employees, company directors, board members and pensioners.
Form IR8S	This form must be submitted for any excess CPF contributions made in the past to claim refunds.
Appendix 8A	This form contains details for the benefits given in kind to the employees such as Housing and Accommodation Benefits, Car Benefits, etc.
Appendix 8B	This form is used to report any gains derived from stock option programs (ESOP) or any other form of share ownership compensation (ESOW).



Requirements for filing AIS

Employers are required to submit their employees' employment income information to IRAS **from 6 January to 1 March each year**. Employers who are not under the AIS will have to **provide the hardcopy Form IR8A and appendices** (wherever applicable) to their employees **by 1 March each year** to file their Income Tax Returns. Employers need not submit the AIS forms to IRAS in such cases.



A penalty shall be levied for **non-filing of AIS** for an amount not **exceeding SGD 5,000** and an imprisonment for a term not exceeding 6 months in event of default of payment of the penalty.

It is strongly encouraged that all employers participate in AIS filing regardless of the number of employees so as to **avoid unforeseen non-compliance**.

IRAS partners with payroll software vendors to **facilitate** employers' **preparation and submission** of the employment income information. It is suitable for employers who **use payroll software** to manage their employment income information.

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