



CPF Wage Ceilings in 2026: Check Salary and Bonus

Description

For 2026, CPF’s monthly Ordinary Wage ceiling is S\$8,000. Additional Wages such as a bonus use a separate annual ceiling: S\$102,000 minus the total Ordinary Wages already subject to CPF for that employee and employer during the year.

An employee or payroll reviewer checking CPF treatment of monthly salary and a 2026 bonus needs one outcome: separate Ordinary Wages from Additional Wages and test each amount against the correct 2026 ceiling.

Separate salary from bonus

Situation	Practical next step
Regular monthly salary	Apply the monthly S\$8,000 Ordinary Wage ceiling before the contribution rate
Annual or irregular bonus	Classify it as Additional Wages and calculate the remaining annual AW ceiling
Employee joined or left mid-year	Use actual OW subject to CPF for this employer, then recalculate at year-end or departure
Payment classification is unclear	Check CPF’s wage rules before applying either ceiling

Regular monthly salary: Apply the monthly S\$8,000 Ordinary Wage ceiling before the contribution rate. **Annual or irregular bonus:** Classify it as Additional Wages and calculate the remaining annual AW ceiling.

Use the two CPF ceilings

CPF Board Ordinary Wage ceiling: The monthly Ordinary Wage ceiling reached S\$8,000 from 1 January 2026 while the annual salary ceiling remains S\$102,000. **CPF Board wage classification guide:** Ordinary and Additional Wage definitions and the Additional Wage ceiling formula of S\$102,000 minus total OW subject to CPF.

The two ceilings do different jobs

The Ordinary Wage ceiling limits regular monthly wages attracting CPF and reached S\$8,000 on 1 January 2026. The annual salary ceiling remains S\$102,000. A bonus does not simply share a monthly S\$8,000 bucket; it is tested through the Additional Wage rules. [CPF Board Ordinary Wage ceiling](#).

Classify the payment before calculating

Monthly salary is the common Ordinary Wage example; annual performance bonus is a common Additional Wage example. Other allowances, reimbursements and benefits depend on CPF's classification rules. Record why a payment is OW, AW or non-wage before touching a spreadsheet. [CPF Board wage classification guide](#).

Calculate the remaining AW room

CPF gives the formula as S\$102,000 minus the total Ordinary Wages subject to CPF for the year. If all 12 months are capped at S\$8,000, total capped OW is S\$96,000 and the illustrative AW ceiling is S\$6,000. Actual employment months and OW can change the result. [CPF Board wage classification guide](#).

Recalculate when actual wages are known

CPF guidance tells employers to estimate at each AW payment, then recalculate in the last month of employment or December. A shortfall must be paid and excess contributions require the appropriate refund process. Keep the calculation with the payroll run and correction reference. [CPF Board wage classification guide](#).

Use the official calculator within its scope

The CPF calculator is updated for 2026, but its published scope and wage-input limitations still apply. Use it as a check, not a substitute for correct classification, employee age or permanent-resident status, due-and-payable date and the applicable contribution table. [CPF Board Additional Wage calculator](#).

Use the year the bonus became due and payable

CPF Board states that the applicable Additional Wage ceiling follows the due-and-payable date of the AW, not merely the performance period named on the bonus letter. Its official example says a 2025 bonus due and payable in 2026 uses the 2026 AW ceiling. Payroll should retain the scheme terms,

approval date and contractual payment trigger that establish that date. Relabelling a payment as “last year’s bonus” does not move it back into an earlier ceiling year. [CPF Board wage classification guide](#).

The AW ceiling is per employer, per year

CPF’s worked guidance calculates the AW ceiling on a per-employer, per-year basis. When an employee changes jobs, the new employer does not simply import the former employer’s internal AW worksheet; each employer applies the rules to the wages it paid and must perform its own final reconciliation. The CPF calculator also has scope limits: it is designed for specified employee groups and will not generate a result when any month’s total wages are S\$750 or below. Escalate those cases through CPF’s stated assistance route rather than forcing the inputs. [CPF Board Additional Wage calculator](#).

A salary-and-bonus calculation

An employee earns S\$9,000 monthly throughout 2026 and receives a S\$20,000 bonus. Only S\$8,000 of each month is OW subject to CPF, producing S\$96,000 capped OW; the illustrative AW ceiling is therefore S\$6,000. CPF’s rules and calculator control the real payroll result.

Employee joined or left mid-year: Use actual OW subject to CPF for this employer, then recalculate at year-end or departure. **Payment classification is unclear:** Check CPF’s wage rules before applying either ceiling.

Audit the payroll calculation

1. Classify every payment as OW or AW
2. Apply the S\$8,000 monthly OW ceiling
3. Total OW subject to CPF for the year
4. Subtract that total from S\$102,000
5. Recalculate at departure or year-end
6. Retain calculator and correction evidence

Payroll errors to catch

- Applying S\$8,000 to a bonus
- Using gross salary instead of capped OW in the AW formula
- Ignoring mid-year employment changes
- Forgetting the due-and-payable date
- Treating an estimate as the year-end figure

Check the wider household budget

After CPF Wage Ceilings in 2026: Check Salary and Bonus, [test the household plan against five benchmarks](#). Then [separate the SRS contribution calculation](#). Both resolve a different task from CPF ordinary additional wage ceiling 2026.

Questions readers ask about CPF ordinary additional wage ceiling 2026

What is the 2026 OW ceiling?

S\$8,000 per month from 1 January 2026. [CPF Board Ordinary Wage ceiling](#).

What is the AW formula?

S\$102,000 minus total Ordinary Wages subject to CPF for the year. [CPF Board wage classification guide](#).

When should payroll recalculate?

At the last month of employment or in December, whichever comes earlier. [CPF Board Ordinary Wage ceiling](#).

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