



The Freelancer's CPF Trap (And How to Beat It)

What every self-employed Singaporean
must know before tax season



The illusion of a freelance pay raise.

When you leave a salaried job, your **mandatory CPF deductions vanish**. More cash hits your bank account.

But nobody tells you **the rules have changed, not disappeared**.



Pro Tip

Freelance freedom comes with a hidden catch. You are now the employer.

The rules change when you work for yourself.

You opted out of mandatory OA and SA by going solo.
But **MediSave** follows you.

Account	Mandatory?	Trigger
MediSave (MA)	YES	If Net Trade Income (NTI) is \$6,001 or more per year.
Ordinary (OA)	NO	Voluntary only.
Special (SA)	NO	Voluntary only.

Assessed annually by IRAS
when you file your income tax.

Uncle Lim's MediSave math

Based on his \$80,000
Net Trade Income,
Uncle Lim owes ~\$8,000
to his MediSave
account this year.



Asian middle-aged IT consultant

NTI: \$80,000

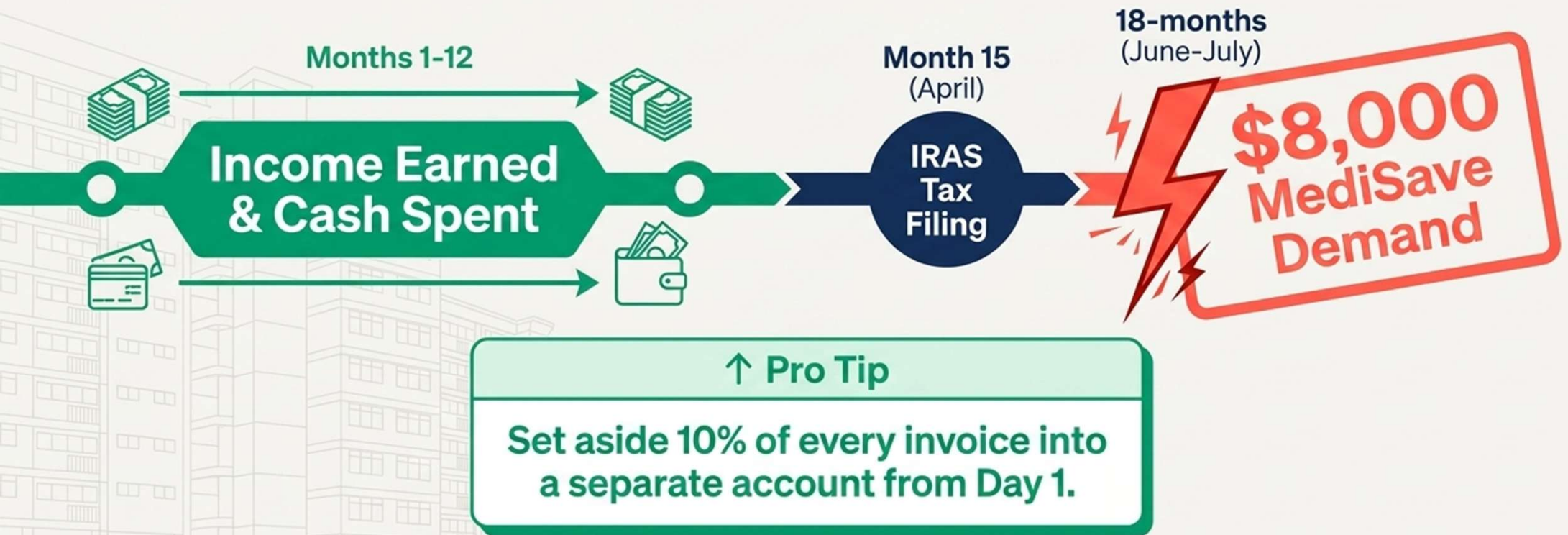
MediSave
Rate:
~10%

\$8,880
(2026 Annual Ceiling)

**But when exactly does
he have to pay this?**

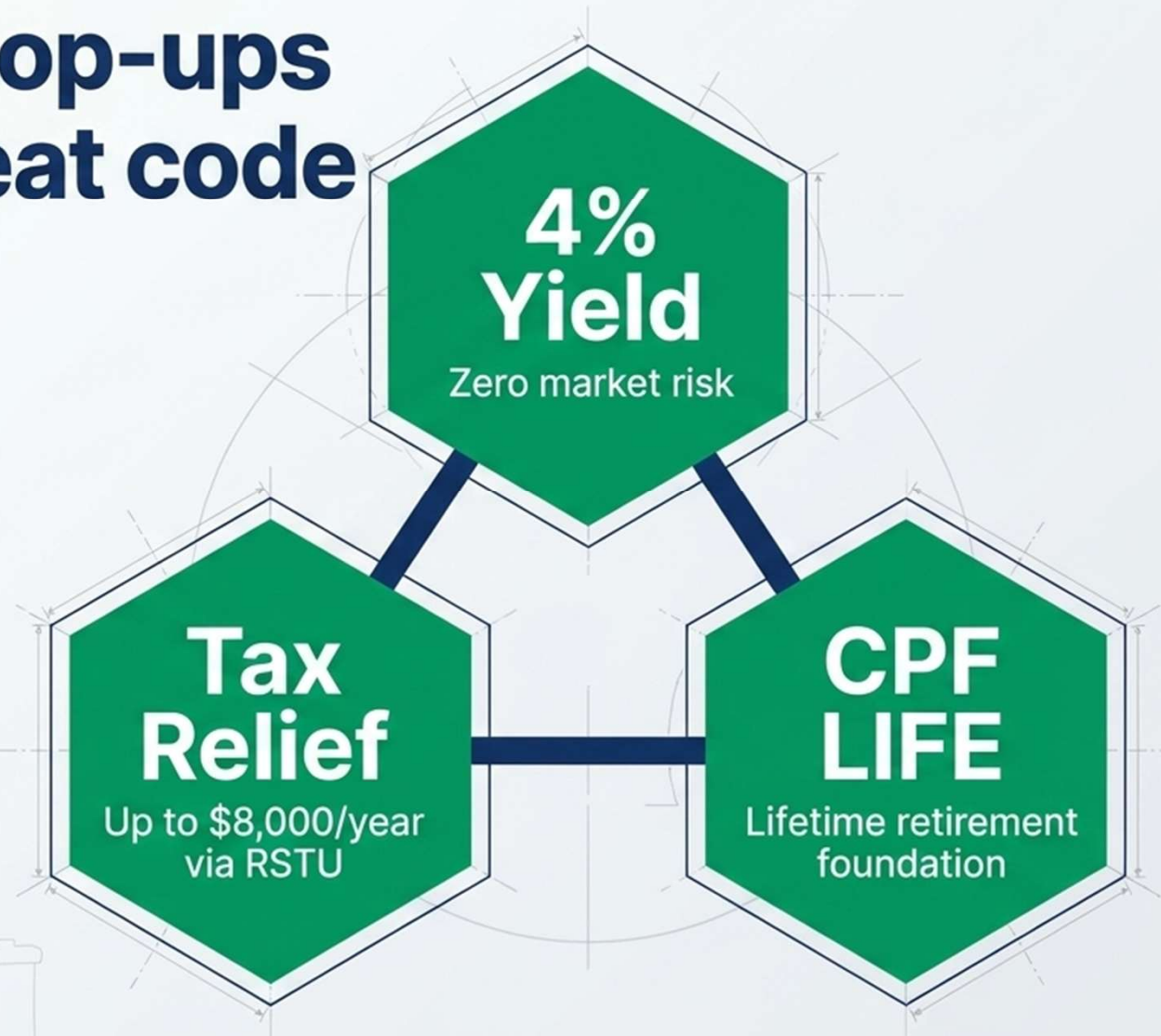
The 18-month tax season surprise.

The delay **catches** freelancers cold. By the time IRAS and CPF Board calculate your bill, you've likely **already spent the "extra" cash** from last year.



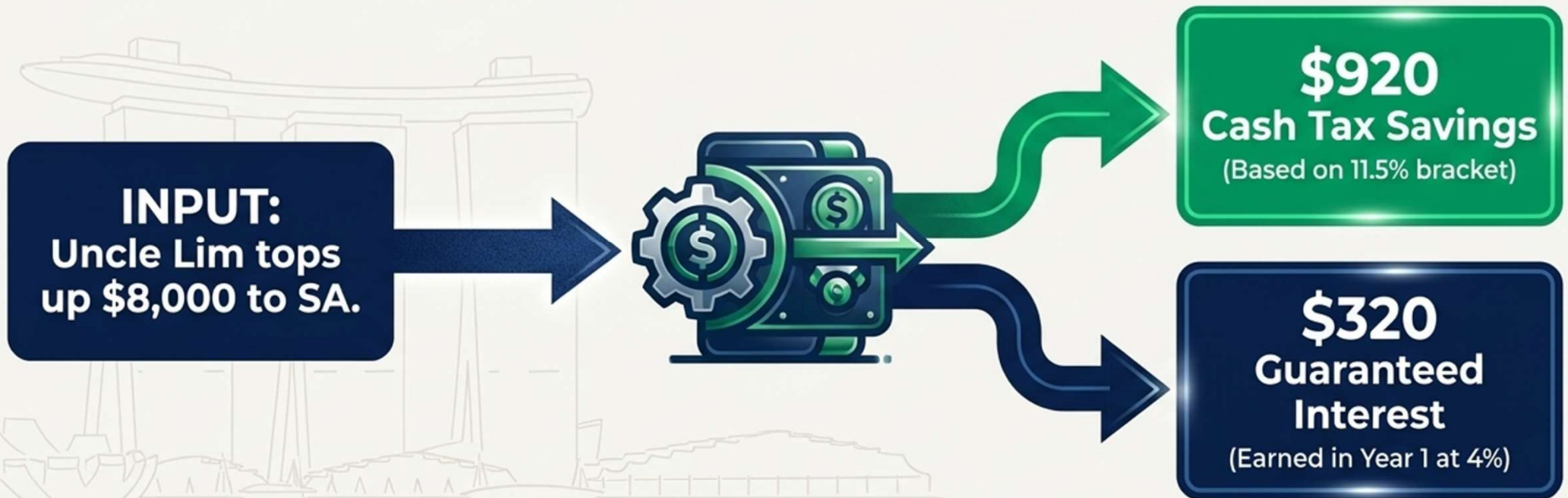
Why voluntary top-ups are a wealth cheat code

Just because Ordinary (OA) and Special Accounts (SA) are optional doesn't mean skipping them is smart. Voluntary top-ups are the most tax-efficient growth engine in Singapore.



The \$8,000 tax relief money machine.

By making a voluntary RSTU top-up, Uncle Lim secures his future while legally slashing this year's tax bill.



The effective yield is well **above 4%** when you factor in the **\$920 immediate tax discount**.

The multi-hundred-thousand dollar retirement gap.

The difference between poverty and a comfortable baseline at age 65 comes down to a single freelance habit.

Version A: Mandatory Only

- Empty Special Account
- No funds swept to Retirement Account

\$0 / month

CPF LIFE Payout at 65

Version B: System Hacker

- MediSave + \$500/mo Voluntary SA
- \$256,000 accumulated by age 55

\$1,700–\$1,900 / month

CPF LIFE Payout at 65

The complete freelancer's financial blueprint.

Five simple moves to eliminate tax surprises and secure a six-figure retirement fund.



1

Budget 10% for MediSave immediately from **Day 1**

2

Start voluntary SA top-ups (**\$300–\$500/mo**)

3

Claim the **\$8,000 RSTU** tax relief annually

4

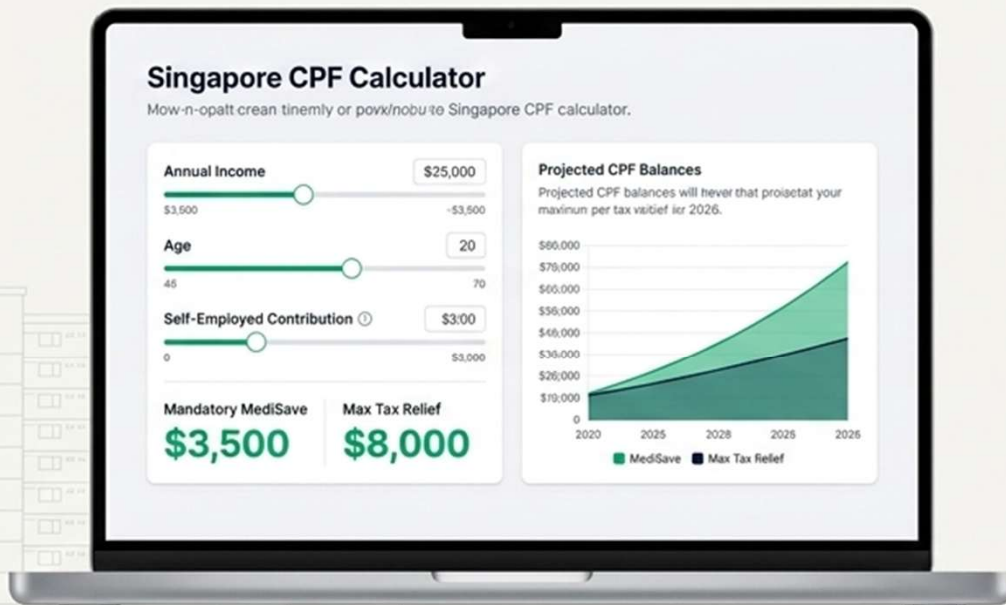
Route funds to OA only if buying property

5

Check CPF balance quarterly at **my.cpf.gov.sg**

Stop guessing. Calculate your exact tax bill.

Model Uncle Lim's numbers or input your own. Instantly see your exact MediSave obligation and your maximum tax relief potential for 2026.



Calculate Now →

cpfcalculatorsg.com/calculator.html

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