



# MPF Member Newsletter

December  
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## New e-Services Available

China Life Trustees Limited (“China Life Trustees”) always endeavors to add new e-services, so as to make handling of MPF simpler and easier for members. Let’s see how can these new functions help you?

### Self-employed Person (“SEP”) e-Debit Note

After login to online account, SEPs can:

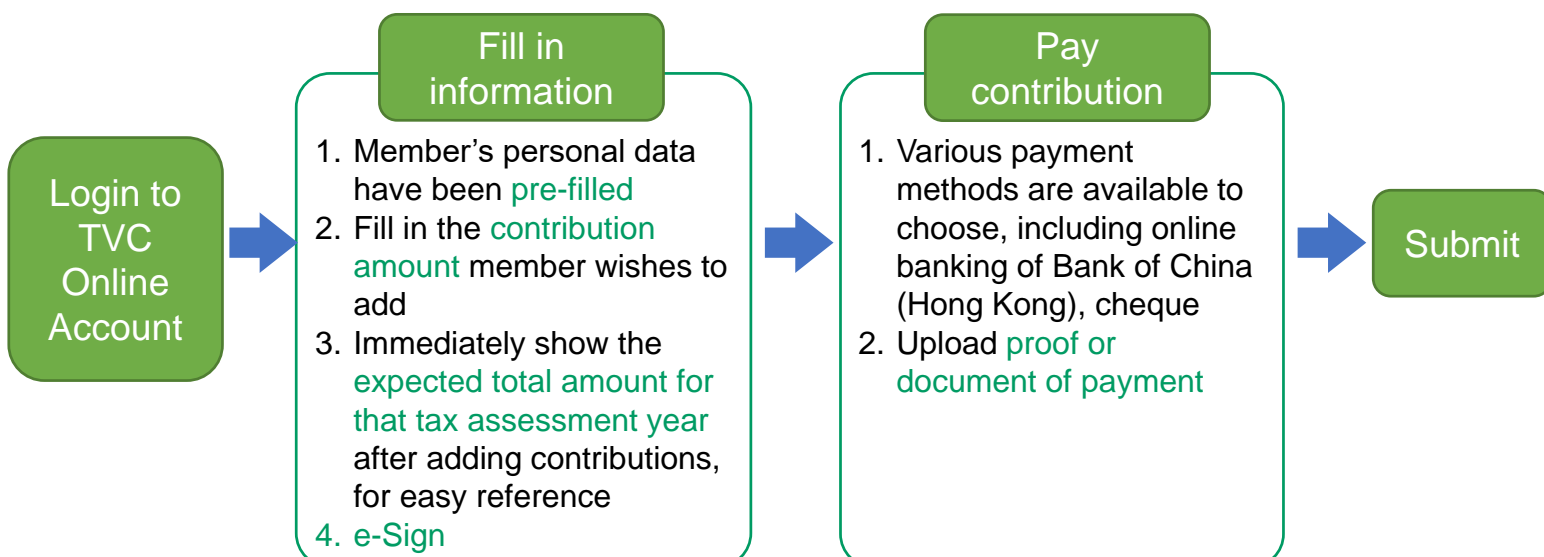
- check the **contribution status** of current and last scheme years
- view the unpaid **contribution debit note**

Various payment methods are available to choose, including online banking of Bank of China (Hong Kong), cheque



### Tax Deductible Contributions (TVC) - Adding Contributions Online

To add lump sum contributions, TVC existing members can submit application and pay contributions with the new one-stop service of online account!





### Make MPF voluntary contributions to enrich retirement savings

As the old saying “save for a rainy day” suggested, it is important to plan ahead in order to enjoy a hassle-free retirement life. As the second pillar of Hong Kong’s retirement protection framework, MPF aims to provide the workforce with basic retirement protection and has to be complemented with other pillars, such as voluntary savings under the third pillar, so as to provide comprehensive retirement protection. In this connection, the MPFA has been encouraging MPF scheme members to make voluntary contributions (VCs) in addition to mandatory contributions to strengthen their retirement savings.

In fact, VCs has been gaining increasing recognition among employers and scheme members, as reflected from the steady growth in the contribution amount. The amount of VCs increased from \$2.3 billion in 2004 by five times to \$14.1 billion in 2020. In the first half of 2021, the amount of VCs exceeded \$7.5 billion, and in the second quarter of 2021, they reached a record \$3.8 billion.

Employees who wish to enhance their retirement savings via VCs have various options. They can open an account under the MPF scheme chosen by their employers, and make fixed amount and income-based contributions at fixed frequency. Subject to the governing rules of the MPF schemes, employees may withdraw or transfer the relevant contribution upon cessation of employment. In 2020, a total of 90,800 employees made VCs (or 3.4% of all participating employees), increased from 89,000 in 2019. Meanwhile, the aggregate amount of VCs made by employees in 2020 was \$1.58 billion, similar to that in 2019.

Moreover, the Tax Deductible Voluntary Contributions (TVC) launched in 2019 has provided MPF scheme members another option to strengthen their retirement reserves while saving tax. TVC has been growing more popular among scheme members since its inception in 2019, in 2020-2021, the total amount of TVC reached \$2.214 billion, increased by \$508 million (or 30%) as compared to the previous year.

To enjoy tax deductions under salaries tax or personal assessment in the 2021-2022 assessment year, please be reminded to make TVCs before the end of March 2022. The maximum tax deductible limit is \$60,000. (The is an aggregate limit for TVCs and qualifying deferred annuity premiums). The withdrawal arrangement is the same as the current MPF mandatory contribution. The relevant contributions (including those exceeding the tax deduction) must be kept until the age of 65 (except in exceptional circumstances prescribed by the law).

For details of TVC, please visit the [MPFA website](https://www.mpfa.org.hk).