



APAC payroll newsletter

APAC's payroll complexities go beyond geography. There are plenty of regional details, legislation, and practices to consider when dealing with APAC payroll. To meet APAC payroll requirements successfully, businesses need to develop a comprehensive understanding of the unique regional requirements and the issues at play in their chosen business location. Our APAC payroll newsletter helps you stay on top of payroll updates with tips and advice to simplify what can be a complex part of running your business.

[Australia](#) [Hong Kong](#) [Indonesia](#) [Korea](#) [Philippines](#) [Taiwan](#) [Vietnam](#)
[China](#) [India](#) [Japan](#) [Malaysia](#) [Singapore](#) [Thailand](#)

Global payroll services

Managing global payroll across multiple countries can be challenging for many businesses. You may face different payment dates and deadlines, local rules and regulations, types of deductions, frequency of payments, and a variety of reporting requirements. It can also be problematic and inefficient using multiple local providers and hiring specialists in countries to service only a few employees.

How can we help you?

Mazars offers a comprehensive multi-country payroll outsourcing service that is seamless and efficient. By centralizing your global payroll services with one experienced firm, you retain greater control over the various regulations required to comply with payroll across multiple countries.

For more information, please visit our [Global Payroll Services](#).



Updates

Superannuation changes

- The Australian Tax Office has been sending reminders in relation to superannuation changes.
- Whether you're paying super weekly, monthly, or quarterly it's important to check that the super guarantee you pay takes into account changes that started on 1 July 2022. These were:
 - Increase in the super guarantee rate from 10% to 10.5%
 - The removal of the \$450 per month eligibility threshold when paying super guarantee.
- These changes must have been applied to all the salary and wages paid from 1 July 2022, even if some of the pay period they related to was before 1 July 2022.
- Employer's need to ensure the correct amounts have been paid the employees' super funds by 28 October 2022 for the period covering 1 July to 30 September 2022.

For more information, go to:

- [Mazars in Australia website](#)
- [Human Resources consulting](#)
- [Latest news](#)



Updates

Change to Social Welfare contribution

- New Social Welfare contribution for the mega cities effective from 1 July 2022 to 30 June 2023:

Beijing	Base Range	Employer	Employee
Pension	5869 RMB ~ 31884 RMB	16%	8%
Unemployment insurance	5869 RMB ~ 31884 RMB	0.50%	0.50%
Medical insurance (including maturity insurance)	5869 RMB ~ 31884 RMB	9.80%	2% +3
Maternity insurance	5869 RMB ~ 31884 RMB	0.2% - 1.9%	N/A
Housing fund	2320 RMB ~ 31884 RMB	12%	12%

Shanghai	Base Range	Employer	Employee
Pension	6520 RMB ~ 34188 RMB	16%	8%
Unemployment insurance	6520 RMB ~ 34188 RMB	0.50%	0.50%
Medical insurance	6520 RMB ~ 34188 RMB	9.50%	2%
Injury insurance	6520 RMB ~ 34188 RMB	0.16% - 1.52%	N/A
Maternity insurance	6520 RMB ~ 34188 RMB	1%	N/A
Housing fund	2590 RMB ~ 34188 RMB	7%	7%

Guangzhou	Base Range	Employer	Employee
Pension	4588 RMB ~ 24930 RMB	14%	8%
Unemployment insurance	2300 RMB ~ 36072 RMB	0.32% / 0.48% / 0.8%	0.20%
Medical insurance	7214 RMB ~ 36072 RMB	5%	2%
Injury insurance	Actual salary	Floating rate	N/A
Maternity insurance	7214 RMB ~ 36072 RMB	0.45%	N/A
Housing fund	2300 RMB ~ 36072 RMB	5%-12%	5% - 12%
Critical illness	12024 RMB	0.26%	N/A

Shenzhen	Base Range	Employer	Employee
Pension	2360 RMB ~ 24930 RMB	15% / 14%	8%
Unemployment insurance	2300 RMB	0.70%	0.30%
Medical insurance	7778 RMB ~ 38892 RMB	6%	2%
Injury insurance	Actual salary	Floating rate	N/A
Maternity insurance	2360 RMB ~ 38892 RMB	0.45%	N/A
Housing fund	2360 RMB ~ 38892 RMB	5%-12%	5% - 12%

For more information, go to:

- [Mazars in China website](#)
- [Latest news](#)



No updates

For more information, go to:

- [Mazars in Hong Kong website](#)
- [Latest news](#)

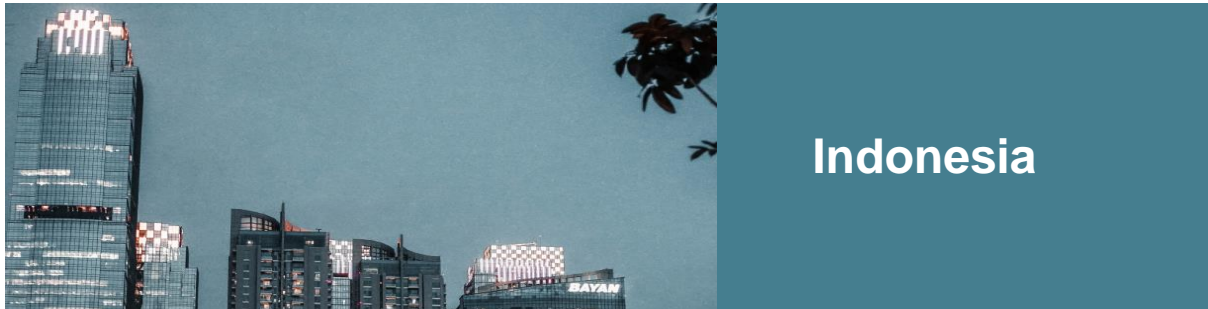


India

No updates

For more information, go to:

- [Mazars in India website](#)
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Updates

New format of Tax ID number

- Under PMK 112/2022, starting 14 July 2022, the new format of 16-digit Tax ID Number is applicable as follows:
 - Individual Taxpayer – Resident: The NIK will be activated as Tax ID Number.
 - Individual Taxpayer – Non Resident and Corporate Taxpayer: 16-digit Tax ID Number will be obtained by adding 0 in front of the old 15-digit Tax ID Number (NPWP).
- However, the old Tax ID format still can be used until 31 December 2023 since some administration systems cannot accommodate the new format yet. But starting 1 January 2024, all the administration systems (not only the tax systems) will require using Tax ID Number with the new format.
- Before fully implementing the new format of Tax ID Number, DGT will validate taxpayer's data. If valid, the new format of Tax ID Number can be used. While if it is invalid, DGT will request data clarification to taxpayer. DGT will validate the data gradually. In the case that DGT has not validated the taxpayers data yet, the taxpayers can submit request to activate their new format of Tax ID Number or manually validate their data through DJP Online website.
- DGT will send clarification request through the following:
 - DJP Online website;
 - DGT's contact centre;
 - Taxpayer's email address; or
 - Others communication channel chosen by DGT.
- The data needing clarification is as follows:
 - Email address;
 - Mobile phone number;
 - Residential address;
 - Business Classification Code or Klasifikasi Lapangan Usaha ("KLU");
 - Dependent or family member.
- Once clarification request is received by taxpayers, they will need to confirm whether the data provided are already correct or submit change of taxpayer's information.

- If taxpayers do not submit change of taxpayer's information as per 1 January 2024, they will not be able to access administration systems until they validate their information.
- As confirmed by DGT, for spouses that previously combined their Tax ID Number, only the NIK of the head of family will need to be activated as Tax ID Number.

For more information, go to:

- [Mazars in Indonesia website](#)
- [Latest news](#)



Japan

Updates

Childcare Leave at time of birth

	Paternity Leave after birth (from 1st October 2022) can be taken separate from Childcare Leave	Childcare Leave (effective 1st October 2022)	Previous Childcare Leave Regulation (before 1st October 2022)
Period and number of leave days that can be taken	Up to 4 weeks within the period of 8 weeks after the child is born.	Up to the day before the child's 1 st birthday (max. extension up to day before 2 nd birthday).	Up to the day before the child's 1 st birthday (max. extension up to day before 2 nd birthday).
Application due date	2 weeks before the start of leave.	1 month before the start of leave.	1 month before the start of leave.
Rules on splitting leave period	Can be split into 2 periods (both periods need to be applied for in the first application).	Can be split into 2 periods (application needs to be submitted separately before each period).	Leave period cannot be split.
Rules on working during applied leave period	Only if the company has a Labour Management Agreement in place, the employee will be able to work within the agreed range during their paternity leave period.	No working is allowed during the leave period.	No working is allowed during the leave period.
Childcare Leave extension after 1st birthday	N/A	Flexibility applied to the start date of extended childcare leave.	Extension start date is limited to 1 st birthday or 1.5 years after birth.
Reacquisition of Childcare Leave after 1st birthday	N/A	Reacquisition of Childcare leave may be possible under special circumstances.	Reacquisition of Childcare leave for the same child is not possible after returning to work.

Change of Benefit payment limit

- Effective 1 August 2022, there is a change in the limit of monthly care leave / childcare leave benefit:

Care Leave benefit	Previous benefit	New benefit
Care Leave benefit	JPY 332,253	JPY 335,871
Childcare Leave benefit	Previous benefit	New benefit
Payment rate 67%	JPY 301,902	JPY 305,319
Payment rate 50%	JPY 225,300	JPY 227,850

Change in the social insurance exemption during Childcare Leave

- Exemption of monthly social insurance (deducted from salary):
 - Under this system, the monthly social insurance from the month of the first day of Childcare leave up to the month prior to the month of the final childcare leave date will be exempted.
 - Previously, in the case where the first day and last day of the childcare leave is within the same month, unless the last day of childcare leave fell on the final day of the month, there was no exemption of social insurance.
 - However, from 1st October 2022 onwards, if the childcare leave period is more than 14 days, the employee will be eligible for the social insurance exemption.
- Exemption of social insurance on bonus:
 - For childcare leaves starting before 30th September 2022, if the childcare leave period includes the last day of the month, the social insurance on bonuses paid in that month was exempted.
 - For childcare leaves starting from 1st October 2022 onwards, the exemption will only come into effect if the leave period is more than 1 month (continuously) and includes the last day of the month that the bonus is paid.

Application of Dependent Deductions on taxable income for family dependents living overseas (outside of Japan)

- Effective for income tax calculation in year 2023.
- The following rule will be applied to the application of Dependent Deductions on taxable income for family dependents living overseas:
 - Dependents living overseas and between the ages of 30 to 69 who do not fall into the following list will be excluded from the range of dependency for Dependent Deductions on income tax:
 - Dependents who left Japan to study abroad, no longer with an address in Japan.
 - Dependents with disabilities.

- Dependents who are receiving JPY 380,000 or more annually as living support and/or payment to cover study tuition from the person who will receive the Dependent Deductions on their income (i.e. the taxpayer).
- Overseas dependents between the ages of 16 and 29 will continue to be applicable for Dependent Deductions if they are dependent and receiving significant financial support from the taxpayer.

For more information, go to:

- [Mazars in Japan website](#)
- [Latest news](#)



Updates

Abolition of the application period for Flat tax rate for foreign workers (applied from 2023 income)

Flat tax rate	As-is	To-be
Special provisions on flat tax rate (19%) for foreign workers	Application for 5 years from the start date of work in Korea	Application period abolished

Income tax reduction for foreign engineers (applied from the first labor provision in Korea from the fiscal year 2023)

Reduction period	As-is	To-be
Foreign engineers can choose between flat tax rate or income tax reduction by 50%	Income tax reduction for 5 years	Income tax reduction for 10 years

Income tax rate adjustment (from January 2023)

As-is		To-be	
Below KRW 12m	6%	Below KRW 14m	6%
KRW 12m ~ below KRW 46m	15%	KRW 14m ~ below KRW 50m	15%
KRW 46m ~ below KRW 88m	24%	KRW 50m ~ below KRW 88m	24%
KRW 88m ~ below KRW 150m	35%	KRW 88m ~ below KRW 150m	35%
KRW 150m ~ below KRW 300m	38%	KRW 150m ~ below KRW 300m	38%
KRW 300m ~ below KRW 500m	30%	KRW 300m ~ below KRW 500m	30%
KRW 500m ~ below KRW 1b	42%	KRW 500m ~ below KRW 1b	42%
Above KRW 1b	45%	Above KRW 1b	45%

Shorten the submission cycle of simplified statement (applicable to the income from January 2024)

Simplified statement submission	As-is	To-be
Earned income	Semi-annually	Monthly
Other income	Annually	Monthly

Reducing the burden of housing expenses (applicable from 2022 year-end tax settlement)

Deduction	As-is	To-be
Tax credit for monthly rent	Max. 12%	Max. 15%
Deduction of repaid principal on housing lease loan	Up to KRW 3m per year	Up to KRW 4m per year

Increase of the limit of non-taxable meal allowance (from January 2023)

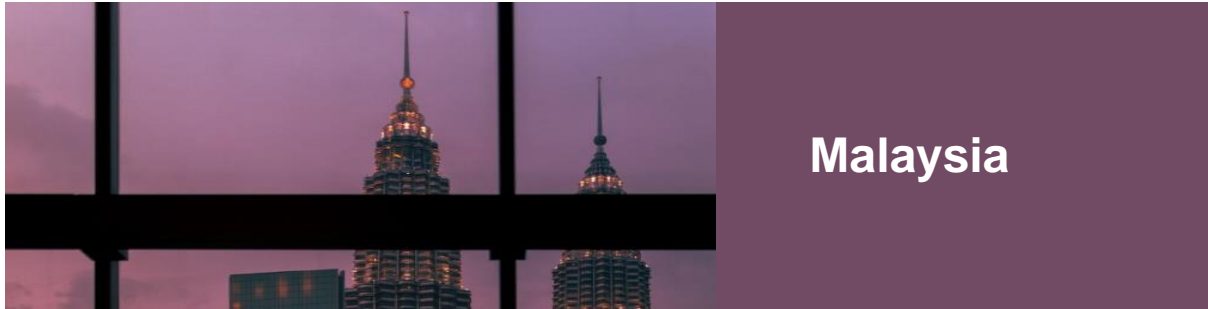
As-is	To-be
Up to KRW 100,000 per month	Up to KRW 200,000 per month

Increase of retirement pension account tax credit (from January 2023)

As-is	To-be
KRW 7m per year (pension savings: up to KRW 4m)	KRW 9m per year (pension savings: up to KRW 6m)

For more information, go to:

- [Mazars in Korea website](#)
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Updates

Amendments to Employment Act 1995

- The implementation of the amendments to the Employment Act 1955 has been postponed from 1st September 2022 to 1st January 2023.

Social Security Organisation (SOCSO)

- Effective 1st September 2022, SOCSO will raise the salary ceiling for contributions from RM4,000 to RM5,000 per month. Employees with salaries exceeding RM5,000 per month, the contribution amount is subject to the salary ceiling of RM5,000.

For more information, go to:

- [Mazars in Malaysia website](#)
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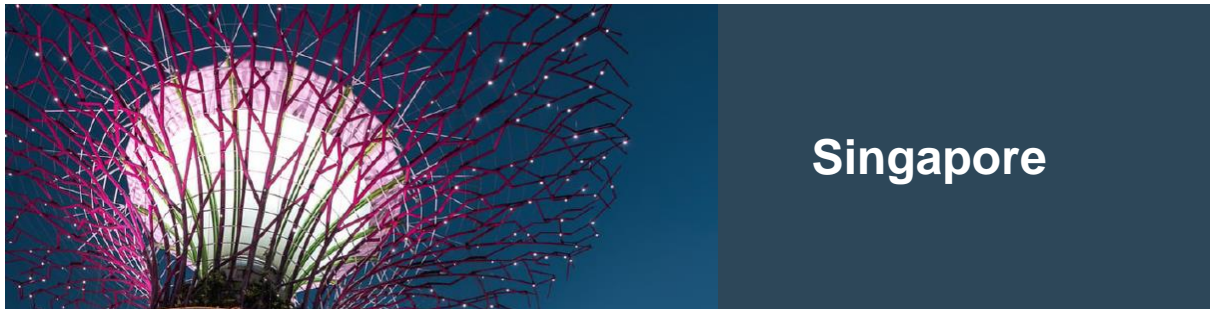


Philippines

No updates

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- [Mazars in Philippines website](#)
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Updates

Increase in CPF contribution rates

- The CPF contribution rates for employees aged 55 to 70 will be increased to strengthen their retirement adequacy. The changes will apply to wages earned from 1 January 2023.
- For employees earning monthly wages greater than SGD 750, the updated CPF rates are:

Employee age	CPF contribution rates from 1 January 2023			
	Current total (% of wage)	Total (% of wage)	By employer (% of wage)	By employee (% of wage)
55 and below	37%	37%	17%	20%
Above 55 to 60	28%	29.5% (+1.5)	14.5% (+0.5%)	15% (+1%)
Above 60 to 65	18.5%	20.5% (+2%)	11% (+1%)	9.5% (+1%)
Above 65 to 70	14%	15.5% (+1.5%)	8.5% (+0.5%)	7% (+1%)
Above 70	12.5%	12.5%	7.5%	5%

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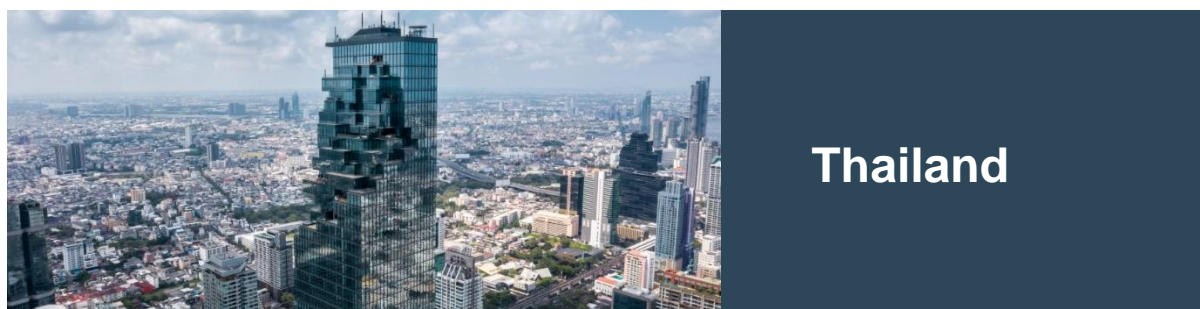


Taiwan

No updates

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Updates

New minimum wage from 1 October 2022

- On 13 September 2022, the Cabinet approved a new minimum wage rate issued by the National Wage Committee, which will be effective on 1 October 2022. The minimum wage will increase from THB 8 to THB 22 a day, depending on the province.
- For employees paid monthly, minimum salaries will be THB 10,590 for Bangkok,
- Details regarding the increase in the minimum wage are set out below:

No.	Minimum Wage Rates (Baht/day)	Number of Provinces	Provinces
1	328	5	Nan, Narathiwat, Pattani, Yala, Udon Thani
2	332	22	Amnat Charoen, Chaiyaphum, Chiang Rai, Chumphon, Kamphaeng Phet, Lampang, Lamphun, Mae Hong Son, Maha Sarakham, Nakhon Si Thammarat, Nong Bua Lam Phu, Phichit, Phrae, Ranong, Ratchaburi, Satun, Sing Buri, Si Sa Ket, Sukhothai, Tak, Trang, Uthai Thani
3	335	19	Ang Thong, Bung Kan, Buri Ram, Chai Nat, Kanchanaburi, Loei, Nakhon Phanom, Nakhon Sawan, Phatthalung, Phayao, Phetchabun, Phetchaburi, Phitsanulok, Prachuap Khiri Khan, Roi Et, Sa Kaeo, Surin, Uttaradit, Yasothon
4	338	6	Chanthaburi, Kalasin, Mukdahan, Nakhon Nayok, Sakon Nakhon, Samut Songkhram
5	340	14	Chiang Mai, Khon Kaen, Krabi, Lop Buri, Nakhon Ratchasima, Nong Khai, Phangnga, Prachin Buri, Sara Buri, Songkhla, Suphan Buri, Surat Thani, Trat, Ubon Ratchathani
6	343	1	Ayutthaya

No.	Minimum Wage Rates (Baht/day)	Number of Provinces	Provinces
7	345	1	Chachoengsao
8	353	6	Bangkok, Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Samut Sakhon
9	354	3	Chonburi, Phuket, Rayong

Reduction in Social Security Fund contributions

- On 30 September 2022, a new law on reductions in Social Security Fund contributions was published in the Royal Gazette.
- The rates for Social Security Fund contributions that employers and employees, as insured persons under Section 33 of the Social Security Act, must pay to the Social Security Fund each month from October through December 2022 will be reduced from 5% to 3%, based on wages being capped at THB 15,000.
- Therefore, both employees and employers will make contributions ranging from THB 50 (THB 1,650 x 3%) to THB 450 (THB 15,000 x 3%).

	October 2022		November 2022		December 2022	
	Employee's contribution	Employer's contribution	Employee's contribution	Employer's contribution	Employee's contribution	Employer's contribution
Regular contribution	5%	5%	5%	5%	5%	5%
New contribution	3%	3%	3%	3%	3%	3%

For more information, go to:

- [Mazars in Thailand website](#)
- [Latest news](#)



Vietnam

No updates

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