

A BILL

i n t i t u l e d

An Act to amend the Employees Provident Fund Act 1991.

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ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Employees Provident Fund (Amendment) Act 2025.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette* and the Minister may appoint different dates for the coming into operation of different provisions of this Act.

Amendment of Part VIIA

2. The Employees Provident Fund Act 1991 [*Act 452*], which is referred to as the “principal Act” in this Act, is amended in the heading of Part VIIA by substituting for the words “MEMBER OF THE FUND” the word “EMPLOYEE”.

Substitution of section 70A

3. The principal Act is amended by substituting for section 70A the following section:

“Application

70A. This Part shall apply to an employee who is not a Malaysian citizen:

- (a) whose country of domicile is outside Malaysia; and
- (b) who enters and remains temporarily under the authority of any pass issued under the provisions of any written law relating to immigration.”.

Amendment of section 70C

4. Section 70C of the principal Act is amended—

(a) in subsection (1)—

(i) by substituting for the words “a member of the Fund” before the words “who is not a Malaysian citizen” the words “an employee”; and

(ii) by substituting for the words “member of the Fund” wherever appearing the word “employee”;

(b) by deleting subsection (2); and

(c) in subsection (3), by substituting for the words “a member of the Fund” the words “an employee”.

Amendment of section 70D

5. Section 70D of the principal Act is amended by substituting for the words “A member of the Fund” the words “An employee”.

Amendment of section 70E

6. Section 70E of the principal Act is amended—

- (a) by inserting after the words “sections 29A,” the words “43(8),”;
- (b) by deleting the words “55A (other than subsection (2)),”;
and
- (c) by substituting for the words “a member of the Fund”
the words “an employee”.

Amendment of section 70F

7. Section 70F of the principal Act is amended—

- (a) by substituting for the words “a member of the Fund”
the words “an employee”; and
- (b) by substituting for the words “such member”
the words “such employee”.

Amendment of section 70H

8. Section 70H of the principal Act is amended by substituting for the words “a member of the Fund” the words “an employee”.

Amendment of First Schedule

9. The First Schedule to the principal Act is amended by deleting paragraphs (6) and (7).

Amendment of Third Schedule

10. The Third Schedule to the principal Act is amended—

- (a) by deleting Parts B and D; and

(b) by inserting after Part E the following part:

“PART F

1. The rate of contributions specified in this Part shall apply to employees who are not Malaysian citizens—

RATE OF CONTRIBUTIONS BASED ON AMOUNT OF WAGES FOR THE MONTH	
<i>By the Employer</i>	<i>By the Employee</i>
2% of the amount of wages for the month	2% of the amount of wages for the month

2. The total contribution which includes cents shall be rounded to the next ringgit.
3. The Board may prescribe any limit on the amount of wages and contributions for the purpose of determining any amount of contribution to be paid on the wages for the month by each employer for each employee.
4. For the purposes of subsection 43(3), the amount of contributions for the month is limited to any limit on the total contribution as prescribed by the Board.”.

Transitional

11. The rate of monthly contributions of an employee who is not a Malaysian citizen and who has elected to contribute on or after 1 August 1998 until the date of coming into operation of this Act shall, on the date of coming into operation of this Act, be at the rate as specified in Part F of the Third Schedule.

EXPLANATORY STATEMENT

This Bill seeks to amend the Employees Provident Fund Act 1991 (“Act 452”) to make provisions relating to the liability to pay contributions and the rate of contributions payable on an employee who is not a Malaysian citizen.

2. *Clause 1* contains the short title and commencement of the proposed Act and empowers the Minister to appoint different dates for the coming into operation of different provisions of the proposed Act.

3. *Clause 2* seeks to amend the heading of Part VIIA of Act 452 to substitute the words “MEMBER OF THE FUND” with the word “EMPLOYEE” to be consistent with the amendments made to *clause 3* of this Bill.

4. *Clause 3* seeks to substitute section 70A of Act 452 with a new section to provide that Part VIIA of Act 452 is applicable to an employee who is not a Malaysian citizen whose country of domicile is outside Malaysia and who enters and remains temporarily under the authority of any pass issued under the provisions of any written law relating to immigration.

5. *Clause 4* seeks to amend section 70C of Act 452.

Subclauses 4(a) and (c) generally seek to amend subsections 70C(1) and (3) to substitute the words “member of the Fund” with the word “employee” to be consistent with the amendments made to *clause 3* of this Bill.

Subclause 4(b) seeks to delete subsection 70C(2) of Act 452 to allow an employee who is not a Malaysian citizen who has withdrawn all amount standing to his credit to continuously be liable to contribute without having to give a notice to contribute to EPF.

6. *Clauses 5, 7 and 8* seek to amend sections 70D, 70F and 70H of Act 452 respectively to substitute the words “member of the Fund” with the word “employee” to be consistent with the amendments made to *clause 3* of this Bill.

7. *Clause 6* seeks to amend section 70E of Act 452.

Subclause 6(a) seeks to exclude an employee who is not a Malaysian citizen from making voluntary contributions under subsection 43(8) of Act 452. Further, *subclause 6(b)* seeks to enable the employee who is not a Malaysian citizen to withdraw all or part of the amount standing to his credit upon the employee attaining the age of 55 years under section 55A of Act 452.

Subclause 6(c) seeks to substitute the words “a member of the Fund” with the words “an employee” to be consistent with the amendments made to *clause 3* of this Bill.

8. *Clause 9* seeks to amend the First Schedule to Act 452 by deleting paragraphs 6 and 7 of the First Schedule. This deletion is in consequence of the proposed amendments to impose liability to pay contributions on an employee who is not a Malaysian citizen.

9. *Clause 10* seeks to amend the Third Schedule to Act 452 to delete Parts B and D and to introduce a new Part F to prescribe the rate of contributions that are applicable to an employee who is not a Malaysian citizen.

10. *Clause 11* deals with transitional provision.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

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