

Plans at a glance

The CPF Advisory Panel is proposing to add a new plan to the existing two CPF Life plans, which will start to disburse money to a member who turns 65. The new plan will have a lower starting payout but will see future payouts rise by 2 per cent every year.

Assuming the CPF member has \$80,500 in his Retirement Account at age 55, this is how the new plan compares with the current options.

	CPF Life plans		
	Standard	Basic	Escalating
Do payments rise over time?	No	No	Yes, by 2% a year
Starting payout			\$560
Monthly payout at age 75	\$720	\$640	\$680
Monthly payout at age 87			\$860
Bequest levels at earlier ages	Low	High	High

What if you choose the escalating plan but want higher starting payments?

Options to raise initial starting payment levels



Top up your CPF retirement funds. If you add another \$39,000 to the CPF Life premiums at age 65, this will bring your initial payout to \$720, on a par with the standard plan.



Defer the starting payout. If you defer your starting payout to when you are 69, this will raise it to \$720.