

EPF WITHDRAWAL

To Purchase/Build A House Withdrawal Scheme

INTRODUCTION

This scheme allows members to withdraw their savings in Account II to purchase or build a house as follows :

Individual purchase; or

Joint purchase with spouse, family members or other individuals.

This scheme also allows member to purchase a house from the developer, individual or public auction.

TERMS AND CONDITIONS

Withdrawal Eligibility

Members are eligible to apply if they :

- Purchase/build a house or purchase a shophouse with dwelling unit;
- Have never made any withdrawal under this scheme;
- Have made a housing withdrawal and after 2nd January 2001 they intend to purchase/build a second house on condition that the first house which was funded from their EPF savings has been sold;
- Have executed the Sales and Purchase Agreement/Construction of House Agreement not more than three years on the date the application is received by the EPF;
- Have not reached 55 years of age at the time the application is received by the EPF;
- Purchase a house by way of hire-purchase from parties authorised by the EPF; and
- Purchase a piece of land and build a house on it simultaneously.
- However, members are not eligible to apply if they :
 - Purchase a piece of land or a housing lot only;
 - Renovate, repair/make extension to an existing house;
 - They sell or transfer the ownership of their first house based on "love and affection" to enable them to make withdrawal for the purchase of a second house.

Amount Eligible For Withdrawal

Members can withdraw their savings as follows, whichever is lower :

1. Individual Purchase

The difference between the price of the house and the housing loan
with an additional 10% of the price of the house

OR

The balance available in Account II.

2. Joint Withdrawal With Spouse, Family Members or Other Individuals

The difference between the price of the house and the housing loan
With an additional 10% of the price of the house

OR

The balance available in Account II for all applicants subject to the difference of amount stated above.

For joint purchase, the EPF will firstly process application from the first purchaser and if the amount is insufficient, only then the application from the second purchaser and so forth will be processed.

EXAMPLE 1 (Individual Purchase)

Encik Sallehuddin purchased a house costing RM75,000.00 and obtained a housing loan of RM60,000.00. He has an EPF savings of RM18,000.00 in Account II. Therefore the amount of savings he can withdraw is:

Price of The House	RM 75,000.00
Housing Loan	RM 60,000.00
Difference Between Price of The House and Housing Loan	RM 15,000.00
Additional 10% of The Price of The House	RM 7,500.00
Amount Eligible For Withdrawal	RM 22,500.00
Balance in Account II	RM 18,000.00
Amount That Can Be Withdrawn	RM 18,000.00

Since the balance in Account II is only RM18,000.00 which is less than the amount that he is eligible to withdraw i.e. RM22,500.00, Encik Sallehuddin can only withdraw RM18,000.00.

EXAMPLE 2 (Individual Purchase Without Housing Loan)

Encik Amirul purchased a house costing RM125,000.00. He did not take any housing loan to purchase the house. He has paid RM35,000.00 to the developer. His savings in Account II is RM60,000.00.

Price of The House	RM 125,000.00
Housing Loan	NIL
Difference Between Price of The House and Housing Loan	RM 125,000.00
Additional 10% of The Price of The House	RM 12,500.00
Amount Eligible For Withdrawal	RM 137,500.00
Balance in Account II	RM 60,000.00
Amount That Can Be Withdrawn	RM 60,000.00

Since Encik Amirul has only RM60,000.00 in Account II, he can only withdraw all of his savings in Account II.

EXAMPLE 3 (Joint Purchase)

Encik Amir and Puan Syuhada purchased a house costing RM100,000.00 and they obtained a housing loan of RM100,000.00. The total savings in Account II for Encik Amir is RM9,000.00 and for Puan Syuhada is RM3,600.00.

Price of The House	RM 100,000.00
Housing Loan	RM 100,000.00
Difference Between Price of The House and Housing Loan	NIL
Additional 10% of The Price of The House	RM 10,000.00
Amount Eligible For Withdrawal By The Couple	RM 10,000.00
Balance in Account II of Encik Amir	RM 9,000.00
Balance in Account II of Puan Syuhada	RM 3,600.00
Amount That Can Be Withdrawn By Encik Amir	RM 9,000.00
Amount That Can Be Withdrawn By Puan Syuhada	RM 1,000.00
Total Amount That Can Be Withdrawn By The Couple	RM 10,000.00

Since both members obtained 100% housing loan, the total amount eligible to be withdrawn by the couple is only 10% of the price of the house, i.e. RM10,000.00. The EPF will firstly process withdrawal application from Encik Amir amounting to RM9,000.00 plus dividend and followed by withdrawal application from Puan Syuhada to make up the amount not exceeding RM10,000.00.

EXAMPLE 4 (Purchase Of A Housing Lot And Building A House Simultaneously)

Encik Nasaruddin purchased a piece of land costing RM80,000.00 on 1st January 2002 and obtained a loan of RM70,000.00. On 1st May 2002, he has signed an agreement to build a house on that land with construction cost of RM200,000.00. He has obtained a housing loan of RM100,000.00 to build the house.

The calculation for withdrawal by Encik Nasaruddin is as follows :

Price of The Land	RM 80,000.00
Construction Cost of The House	RM 200,000.00
Total Construction Cost of The House and Price of The Land	RM 280,000.00
Total Loan To Purchase The Land and To Build The House	RM 170,000.00
Difference Between Construction Cost of The House and Price of The Land with The Total Loan	RM 110,000.00
Additional 10% of The Price of The House	RM 28,000.00
Amount Eligible For Withdrawal	RM 138,000.00
Balance in Account II	RM 150,000.00
Amount That Can Be Withdrawn	RM 138,000.00

HOW TO APPLY

Members are required to complete [Form KWSP 9C \(AHL\)](#) and to submit this form together with the following documents, whichever is applicable :

1. PURCHASE FROM DEVELOPER

- i) Member's Identification Card/Smart Card or Police/Military Identification Card :
 - For Police/Military Identification Card holder, please produce a letter from Police/Military Department confirming your Identification Card number.
 - For Smart Card holder, please produce a photocopy of your Smart Card and affix your right and left thumb impression on the copy.
- ii) Sales and Purchase Agreement (with the names of all applicants for joint purchase) that is executed not more than 3 years on the date the application is received by the EPF;
- iii) Housing Loan Approval Letter or Housing Loan Agreement (if application is submitted after one year from the date of Loan Agreement);
- iv) Member's individual Savings Account book or individual Current Account statement which are still active; and
- v) If members **self-finance the purchase of the house**, they are also required to submit the following documents :
 - Letter from the developer confirming the purchase paid in cash;
 - Payment receipt of not less than 20% from the purchase price of the house;
 - Letter requesting the progress payment of at least 20% together with the Architect Certificate.

2. PURCHASE FROM AN INDIVIDUAL/PUBLIC AUCTION

- i) Documents as in A(i) to (iv) under Purchase From Developer;
- ii) Deed of Title/Deed of Assignment in the name of the member/vendor to confirm the particulars of vendor and to check the restriction on the property;
- iii) Letter authorising the transfer of title from the developer/Land Office, if applicable;
- iv) For purchase from public auction, Form 16F (Public auction Form);
- v) If members self-finance the purchase of the house, they are also required to submit the following documents :
 - Deed of Assignment in the member's name or Form KTN 14A;
 - Letter confirming the purchase paid in cash from the lawyer in charge of the sales and purchase ; and

Payment receipt of not less than 20% from the price of the house.

3. HOUSE CONSTRUCTION

- i) Documents as in A(i), (iii) and (iv) under Purchase From Developer;
- ii) Construction of House Agreement executed not more than 3 years on the date the application is received by the EPF;
- iii) Deed of Title of the land in the name of the member or spouse where applicable :
 - For individual withdrawal, Deed of Title of the land is in the name of the member or spouse;
 - For joint withdrawal, Deed of Title of the land is in the name of all applicants.
- iv) House construction plan approved by the relevant authorities (if located within the District Council);
- v) Letter requesting for the first progress payment together with the Architect Certificate; and
- vi) If members self-finance the construction of the house, they are also required to submit the following documents :
 - Payment receipt of construction not less than 20% of the price of the house (the date of receipt is not more than 3 years on the date the application is received by the EPF); and

- Letter requesting for progress payment together with the Architect Certificate.

4. PURCHASE OF LAND AND CONSTRUCTION OF HOUSE SIMULTANEOUSLY

- Documents as in A(i), (iii) and (iv) under Purchase From Developer;
- Sales and Purchase of Land Agreement in the member's name or the names of the member and spouse (for joint withdrawal); and
- Construction of House Agreement in the member's name or the names of the member and spouse (for joint withdrawal).

Note :

- The Sales and Purchase of Land Agreement and Construction of House Agreement must be made within 6 months.
- The cost of purchasing the house is calculated based on the cost of purchasing the land and building the house.

5. PURCHASE/BUILD A SECOND HOUSE

- Documents as in A(i) to (v) under Purchase From Developer;
- One of the following documents as proof of sales of the first house :
 - Form KTN 14A duly stamped; or
 - Deed of Title duly stamped illustrating the transfer of name to the purchaser AND Sales and Purchase Agreement between the purchaser and the member; or
 - Deed of Assignment duly stamped; or
 - Real Property Gains Tax; or
 - Public Auction Form (16F); or
 - Transfer of property ownership through Court Order to any party (for divorced cases).

Submission Of Application

All application forms can be submitted to any EPF office either at the counter or by post.

- For applications submitted at the EPF counter, members are required to produce original documents together with their photocopies.
- For applications submitted by post, members are required to submit photocopies of documents that are certified by officers authorised by the EPF.

CERTIFYING OFFICERS

Officers authorised by the EPF to certify supporting documents to application form are as follows:

- EPF Officer :
 - EPF Officer (Grade 18 and above)
 - EPF Main Counter Duties
- Applicant's employer
- Justice Of The Peace
- Penghulu/Penggawa
- Registered medical practitioner
- Advocates and Solicitors
- Government officers (professional group)

- State Assemblyman
- Member of Parliament
- Commissioner of Oath

MODE OF PAYMENT

Payment will be made through [Direct Crediting System](#) to your bank account on condition that your bank is one of the panel of banks appointed by the EPF. To facilitate easy payment, you are required to open an account with the said bank panel if you do not have an account with the said bank. However, the withdrawal payment direct to your account is subject to the following conditions :

- a) Your bank account is still active;
- b) It is a Personal Savings/Current Bank Account; and
- c) You possess an Identification Card/Smart Card/Police/Military Identification Card/passport.

(For more information regarding direct payment to your bank account and the list of banks appointed by the EPF, please refer to [Direct Crediting System Into Member's Bank Account.](#))

Note :

For members who have withdrawn their savings to purchase/build a house, they are eligible to withdraw their savings to reduce/redeem housing loan for the same house every three years from the date of the last withdrawal. For further information, please refer to [Reduce/Redeem Housing Loan Withdrawal Scheme.](#)

CORRESPONDENCE ADDRESS

Members are required to furnish their full address in [Form KWSP 9C \(AHL\)](#). Any change of address after submitting this application, members must inform their new address to the nearest EPF office.

ENQUIRIES

If you have any enquiry or problem relating to your withdrawal application, please contact the nearest EPF Office or the EPF Customer Service Department as follows :

Customer Service : 03-8732 6000

E-mail : enquiry@epf.gov.my

Please quote your EPF membership number and the withdrawal scheme that you have applied for when you contact the EPF. You are encouraged to contact the EPF directly to obtain assistance and advice.

ATTENTION

This information is only a guide. The EPF reserves the right to amend any conditions or request for additional documents if deemed necessary.