

Frequently Asked Questions (FAQs) regarding Debt Collection Licensing Regime

S/N	FAQ	Answer
1	When will the Police start licensing the debt collection businesses and debt collectors?	The debt collection laws will tentatively take effect in late 2023. Please be assured that the Police will give sufficient time for existing debt collection businesses to transit to the new licensing regime.
2	Currently I operate a debt collection business. When must I apply for a licence?	Currently, you do not need a licence from the Police. You may apply for a licence when the debt collection laws take effect. When the laws take effect, the Police will also publish details such as the licensing criteria, licence fees, licence tenure and supporting documents.
3	I run a family business and I collect debts owed by my clients. When the debt collection laws take effect, will I require a licence from the Police?	You would generally not need a licence if you are collecting debts that are owed to your company and your company is not a debt collection business. If you require more information, you may check with the Police at SPF_Licensing_Feedback@spf.gov.sg .
4	I intend to employ debt collectors for my debt collection business. Must I obtain Police approval before I hire the debt collectors?	Currently, there is no need for debt collection businesses to obtain Police's approval before hiring debt collectors. However, when the debt collection laws take effect, debt collection businesses will require Police's approval before they may deploy debt collectors.
5	Under the debt collection laws, if I terminate the employment of my debt collector, must I notify the Police?	When the debt collection laws take effect, you will be required to notify the Police within 14 days of terminating the employment of a debt collector.
6	If I operate one debt collection business but I wish to open a second branch office, must I apply for a licence for the second business?	If it is registered with the Accounting Corporate Regulatory Authority (ACRA) as a branch office of the main company, you will not need to apply for another licence.
7	If I open two debt collection businesses, may I apply for one licence for both companies or must I apply for separate licences for each?	If the two businesses are registered as separate companies with ACRA, you will need to apply for two separate licences.
8	Is there a minimum paid-up capital for my debt collection business to be eligible for a licence?	There is no minimum paid-up capital required.
9	Will the police conduct checks on my debt collection business?	The Police will be empowered under the debt collection laws to enter any premises used for the conduct of debt collection business to check for compliance with regulatory requirements and adherence to relevant laws.