

[CIRCULAR NO. 411, September 21, 2018]

REVISED GUIDELINES ON PENALTY CONDONATION FOR EMPLOYERS WHO DEDUCTED MONTHLY SAVINGS (MS) BUT FAILED TO REMIT

Adopted: 21 September 2018

Date Filed: 26 September 2018

Pursuant to the approval of the Senior Management Committee in its meeting held last September 3, 2018, the **Revised Guidelines on Penalty Condonation** for Employers Who Deducted Monthly Savings (MS) But Failed to Remit are hereby issued:

I. OBJECTIVES

This program aims to achieve the following objectives:

1. To ensure registration of unregistered employers with the Fund; and
2. To compel employers to settle their provident obligations.

II. COVERAGE

This Guidelines shall apply to the following:

1. All unregistered and delinquent registered employers who deducted monthly savings (MS) from their employees but failed to remit the same to the Fund.
2. All employers who have pending applications for plan of payment resulting from enforcement efforts of the Fund who were not qualified to apply under Circular 387.

III. PAYMENT OF PROVIDENT OBLIGATION

The Employer shall pay the following provident obligations:

- 1.1 Total unremitted monthly mandatory savings. This shall include the employer counterpart and employee contribution.
- 1.2 Deprived dividends; and
- 1.3 Total assessed penalties (TAP). **The TAP shall be the penalties computed as of date of filing of application.**

Imposition of penalties shall be suspended from the date of filing of