

Press Release
(September 13, 2017)

Pag-IBIG Fund offers penalty condonation to unregistered and delinquent employers

Pag-IBIG Fund is offering the Penalty Condonation Program to ensure registration of unregistered employers and compel employers to pay the employer share in their employees' Pag-IBIG savings. This will enable more employees to avail of Pag-IBIG's housing and savings programs.

“One of the directives of President Rodrigo Roa Duterte is to help the Filipino workers secure their future by ensuring that they enjoy government benefits, like those enjoyed by 17.4 million Pag-IBIG members. The underserved sector can avail of affordable housing through Pag-IBIG,” said Pag-IBIG Board of Trustees and Housing and Urban Development Coordinating Council (HUDCC) Chairperson Eduardo D. Del Rosario.

Added Pag-IBIG Chief Executive Officer Acmad Rizaldy P. Moti, *“We are expecting around 200,000 business establishments, mostly the micro and small entrepreneurs, to apply for penalty condonation. Consequently, around 300,000 to 400,000 Filipino workers will be added as Pag-IBIG members and be able to enjoy our benefits.”*

The penalty condonation program will give unregistered or delinquent registered employers the opportunity to comply with the mandate of Republic Act No. 9679 or the Pag-IBIG Fund Law of 2009 to register their employees with Pag-IBIG and pay any arrears in their employees' membership savings. All employers may qualify to apply to the program, except those who deduct employee contributions but fail to remit these to Pag-IBIG.

A full penalty condonation will be given to all eligible employers, as long as they will settle the employer counterpart of the membership savings and the deprived dividends. The unpaid employer counterpart and deprived dividends may also be settled through plan of payment for a maximum period of two years and interest of 0.50% per month.

The program took effect on August 26, 2017. Erring employers must file their applications to avoid incurring continued penalties on their unremitted contributions and criminal liability in accordance with the provisions of R.A. 9679.

To avail of the program, employers must update their records with Pag-IBIG through online registration system, if not yet registered with the Fund. They also need to secure and accomplish the Penalty Condonation application form, which is available at Pag-IBIG branches nationwide, then submit this to the branch covering their place of business. Only applicants with complete documents will be accepted and processed.
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