



REPUBLIC OF THE PHILIPPINES

SMALL BUSINESS WAGE SUBSIDY (SBWS) PROGRAM TASK FORCE

RESOLUTION NO. 2

GUIDELINES ON THE RETURN OF THE AMOUNT RECEIVED UNDER THE SBWS PROGRAM

WHEREAS, pursuant to Items I and IV of the Joint Memorandum Circular (JMC) No. 001-2020 dated April 30, 2020, or the "Guidelines for the Availment of the Small Business Wage Subsidy Measure," as amended by JMC No. 002-2020 dated May 17, 2020, entered into by and among the Department of Finance (DOF), the Bureau of Internal Revenue (BIR), and the Social Security System (SSS), "employees who have received a subsidy from DOLE's CAMP and other similar programs may be eligible for the SBWS, but the wage subsidy for the second tranche under the SBWS shall be net of any amount received under the said program";

WHEREAS, pursuant to Item V (1) of the JMC No. 001-2020, "the small business employer must maintain the employment status of all employee beneficiaries before the enhanced community quarantine and other forms thereof and throughout the SBWS period: *Provided, that non-compliance with this condition shall result in the employer refunding to the government the wage subsidy amount*";

WHEREAS, pursuant to Item V (2) of the JMC No. 001-2020, as amended, "employee beneficiaries cannot resign during the period of enhanced community quarantine and other forms thereof, imposed in Luzon and other parts of the country: *Provided, that non-compliance with this condition shall result in the employee refunding to the government the wage subsidy amount*";

WHEREAS, pursuant to Item VI (4) of the JMC No. 001-2020, as amended, "small business employers shall certify to the truthfulness, accuracy, and completeness of the information provided. Employers who misrepresent in their applications the fact of payment of wages or other material facts relevant to the eligibility of their employees shall be liable for refunding the government the amount of the wage subsidy granted by depositing the same to a designated bank account, subject to guidelines to be issued by the SBWS Program Task Force";

NOW, THEREFORE, for and in consideration of the foregoing premises, the SBWS Program Task Force (SPTF) **issues** these guidelines and procedures in returning the amount received under the SBWS Program:

A. COVERAGE AND SCOPE OF SBWS

The SBWS covers small business employers and their eligible employees who are employed as of March 1, 2020, and affected by the enhanced community quarantine (ECQ)

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or other forms of quarantine, imposed in Luzon and other parts of the country to address the COVID-19 public health emergency.¹

A wage subsidy of five thousand pesos (P5,000) to eight thousand pesos (P8,000) (largely based on the regional minimum wage) shall be given in two (2) tranches: *Provided, That*, employees who have received benefits from the Department of Labor and Employment's (DOLE) COVID-19 Adjustment Measures Program (CAMP) and other similar programs may be eligible under the SBWS, but the wage subsidy for the second tranche under the SBWS shall be net of any amount received from the said programs and subject to conditions provided in the JMC.²

B. ELIGIBILITY CRITERIA FOR EMPLOYERS AND EMPLOYEES

Eligible employers are small business employers belonging to an industry classified as non-essential or quasi-essential in view of the ECQ and other forms thereof, imposed in Luzon and other parts of the country, registered in the BIR and have complied with tax obligations in the past three years up to January 2020, and also registered in the SSS and have paid SSS contributions in the past three years up to January 2020.³

Eligible employees are those employed by an eligible small business employer as of March 1, 2020, and has been prevented from performing work for at least two weeks due to suspension of work, temporary closure or the adoption of flexible work arrangement by his employer, in view of the ECQ and other forms thereof, imposed in Luzon and other parts of the country.⁴

The following employees are disqualified from availing of the SBWS:

1. Employees working from home or part of the skeleton force;
2. Employees on leave for the entire duration of the enhanced community quarantine and other forms thereof, whether with or without pay; and
3. Employees who are recipients of SSS unemployment benefits and/or have unsettled or in-process SSS final claims.⁵

Employees who have received a subsidy from DOLE's CAMP and other similar programs may be eligible for the SBWS, but the wage subsidy for the second tranche under the SBWS shall be net of any amount received under the said program.⁶

The employers, upon application with the SSS, shall certify (1) that the employees have met all the eligibility requirements and none of the disqualifications,⁷ and (2) to the truthfulness, accuracy and completeness of the information provided.⁸ Such certification shall be in the form of an Undertaking as shown in Annex "A" upon their applications, in Annex

¹ Item I (Coverage and Scope) of the JMC No. 001-2020, as amended.

² Item I (Coverage and Scope) of the JMC No. 001-2020, as amended.

³ Item III (Eligibility Criteria for Employers) of JMC No. 001-2020, as amended.

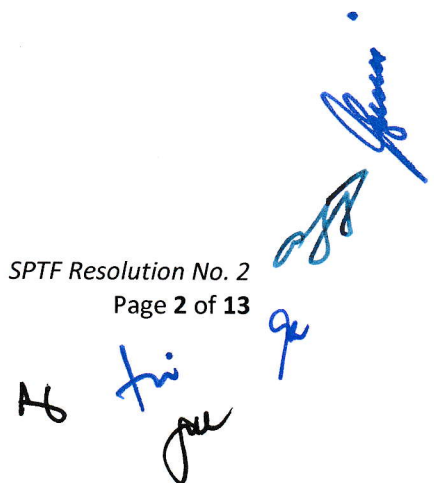
⁴ Item IV (Eligibility Criteria for Employees) of JMC No. 001-2020, as amended.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ *Ibid.*

⁸ Item VI.4 (General Guidelines) of JMC No. 001-2020, as amended.



"B" upon amendment of erroneously provided mobile numbers and bank account number of their employees, and in Annex "C" upon amendment of erroneously provided tax identification number of their employees.

C. ADDITIONAL CONDITIONS FOR THE GRANT

The small business employer must maintain the employment status of all employee beneficiaries before the ECQ and other forms thereof and throughout the SBWS period.⁹ Employee beneficiaries cannot resign during the period of ECQ and other forms thereof imposed in Luzon and other parts of the country.¹⁰

D. WHO SHALL RETURN

The return of the subsidy may be made by the employers or by their employee/s, as the case may be:

1. **Employers** who (i) failed to maintain the employment status of all employee beneficiaries before the ECQ and other forms thereof and throughout the SBWS,¹¹ or (ii) made misrepresentation in their application the fact of payment of wages or other material facts relevant to the eligibility of their employees,¹² shall return to the government the amount of wage subsidy granted.

2. **Employees** who resigned during the period of ECQ and other forms thereof imposed in Luzon and other parts of the country shall return to the government the amount of wage subsidy granted.¹³

The amount of subsidy to be returned will cover the first tranche and/or the second tranche (for DOLE-CAMP beneficiaries), as the case may be.

E. PROCEDURES FOR VOLUNTARY RETURN

1. Employers or employees may, on or before June 15, 2020, voluntarily return the amount of wage subsidy granted by depositing over-the-counter or thru online banking, to the account of the Bureau of the Treasury (BTr) as follows: Land Bank Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy". No other mode of return shall be allowed.
2. Employers may in one deposit cover the return for the full wage subsidy received by one or more of their employees.

⁹ Item V.1. (Additional Conditions For the Grant) of JMC No. 001-2020, as amended.

¹⁰ Item V.2 (Additional Conditions For the Grant) of JMC No. 001-2020, as amended.

¹¹ Item V.1 (Additional Conditions For the Grant) of JMC No. 001-2020, as amended.

¹² Item VI.4 (General Guidelines) of JMC No. 001-2020, as amended.

¹³ Item V.2 (Additional Conditions For the Grant) of JMC No. 001-2020, as amended.

3. Upon deposit of the amount of wage subsidy granted, the employer or employee shall submit the scanned copy of the validated deposit slip or its online equivalent, to the SSS by email at SBWSreturns@sss.gov.ph with the following information:
 - a. For employers: (1) Name of employer and SSS ID number; (2) Name(s) of employee(s), SS number and amount deposited for each employee; (3) Reason for the return; (4) Total amount deposited, and (5) Date and time of deposit.
 - b. For employees: (1) Name of employee and SS number; (2) Name of employer and SSS ID number if known, (3) Reason for the return; and (4) Date and time of deposit.

F. PROCEDURES FOR INVOLUNTARY RETURN



1. Upon determination by the Commission on Audit during its post-audit of the SBWS Program that an employer or an employee committed an act on the ground of which an employer or employee is deemed liable to return to the government the amount of wage subsidy granted, or upon discovery of fraud by the DOF, SSS or BIR, a letter in the form as shown in Annex "D-1" for employers, Annex "D-2" for DOLE-CAMP beneficiaries and Annex "D-3" for employees shall be issued by the SPTF demanding the return of the said subsidy within fifteen (15) calendar days from receipt thereof with a warning that failure to return shall result to the filing of the appropriate criminal and/or civil action.
2. The demand letter shall be sent to the employer or employee's last known address in the SSS or BIR records through registered mail or through personal delivery by the person duly authorized by the SPTF. Resort to substituted service is allowed only if, for justifiable causes, the employer or employee cannot be personally served with the demand letter within a reasonable time. In such a case, substituted service may be effected (a) by leaving a copy of the demand letter at the employer or employee's residence with some person of suitable age and discretion then residing therein, or (b) by leaving the copies at the employer or employee's office or regular place of business with some competent person in charge thereof.
3. The employers or employees to whom the demand letter were served shall return the amount of wage subsidy granted by depositing over-the-counter or thru online banking, to the account of the BTr as follows: Land Bank Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy". No other mode of return shall be allowed.
4. Employers may in one deposit cover the return for the wage subsidy received by one or more of their employees.
5. Upon deposit of the amount of wage subsidy granted, the employer or employee shall submit the scanned copy of the validated deposit slip or its online equivalent, to the SSS by email at SBWSreturns@sss.gov.ph with the following information:
 - a. For employers: (1) Name of employer and SSS ID number; (2) Name(s) of employee(s), SS number and amount deposited for each employee; (3) Reason for the return; (4) Total amount deposited, and (5) Date and time of deposit.

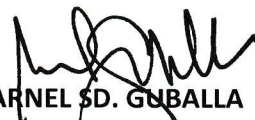

- b. For employees: (1) Name of employee and SS number; (2) Name of employer and ID number if known, (3) Reason for the return; and (4) Date and time of deposit.
6. In the event of non-compliance with the demand for return within the prescribed period, such fact shall be reported by the SPTF, the BIR, or the DOF to the Department of Justice and/or the Office of the Solicitor General for the filing of criminal and/or civil action, whichever is appropriate.
7. Employers and employees who wish to contest the demand for return of the wage subsidy may do so by replying to the demand letter received, citing their reasons therefor and attaching supporting documents, within the prescribed period for the return. The period within which to return the subsidy shall be tolled by the SPTF's receipt of the letter of contest and shall run again upon employer or employee's receipt of the SPTF's resolution denying the letter of contest. The resolution of the SPTF shall be final.

E. RECONCILIATION AND RECORDING OF RETURNS MADE

1. The SSS shall reconcile the proof of payment submitted by the employer or employee with the Statement of Account issued by the BTr.
2. After reconciliation, the SSS shall issue an acknowledgement receipt thru email of the return of the subsidy using the form shown in Annex "E", and record the same in a report as shown in Annex "F" to be submitted to the DOF, copy furnished the BIR, within two (2) working days after such reconciliation and recording.
3. In case of involuntary return, the deposit of the wage subsidy made by the employer or employee as acknowledged by the SSS, shall be without prejudice to any future investigation, or to the filing of appropriate criminal and/or civil action against the employer, employee, an/or other persons in case of fraud or any other violation of the SBWS Program guidelines.

APPROVED by the SBWS Program Task Force on the 28th day of May, 2020.


AURORA C. IGNACIO
President and CEO
Social Security System
Member 


ARNEL S.D. GUBALLA
Deputy Commissioner
Bureau of Internal Revenue
Member 


ANTONIO JOSELITO G. LAMBINO II
Assistant Secretary
Department of Finance
Chairperson 

ANNEX "A" Employer's Undertaking upon Application

I/We, the undersigned, hereby certify that all information contained in this application is true, accurate, and complete. I/We understand that making any untruthful statements in this document is punishable under the pertinent provisions of the Revised Penal Code of the Philippines and other applicable laws.

I/We certify that the company fully apprised all its employees of the nature of this application and subsequently notified those who have qualified for the Small Business Wage Subsidy (SBWS) Measure and who have not, including reasons therefor.

I/We further certify that the employees who have qualified and are identified in this application, were fully informed of the purpose of sharing their personal and/or sensitive personal information with SSS, DOF, and BIR, and their authorized representatives, and that said employees gave their full consent to the collection, use, disclosure, or any form of processing of their personal and/or sensitive personal information, and all acts relevant thereto, such as but not limited to the post-verification of information by the Commission on Audit, to the extent necessary to achieve the purpose of the SBWS, subject to the provisions of the Data Privacy Act of 2012 and its Implementing Rules and Regulations and the Data Sharing Agreements entered into by the abovementioned agencies.

ANNEX "B" Employer's Undertaking upon Amendment of Erroneous Mobile Numbers and Bank Account Number

I/We, the undersigned, hereby certify that all amended information submitted in this SBWS application amendment are true, accurate, and complete. I/We understand that making any untruthful statements in this document is punishable under the pertinent provisions of the Revised Penal Code of the Philippines and other applicable laws.

I/We certify that the company fully apprised all its employees of the nature of this application and subsequently notified those who have qualified for the Small Business Wage Subsidy (SBWS) Measure and who have not, including reasons therefor.

I/We further certify that the employees in this SBWS application amendment, were fully informed of the purpose of sharing their personal and/or sensitive personal information with SSS, DOF, and BIR, and their authorized representatives, and that said employees gave their full consent to the collection, use, disclosure, or any form of processing of their personal and/or sensitive personal information, and all acts relevant thereto, such as but not limited to the post-verification of information by the Commission on Audit, to the extent necessary to achieve the purpose of the SBWS, subject to the provisions of the Data Privacy Act of 2012 and its Implementing Rules and Regulations and the Data Sharing Agreements entered into by the abovementioned agencies.

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ANNEX "C" Employer's Undertaking upon Amendment of Tax Identification Number

I/We, the undersigned, hereby certify that the tax identification numbers (TIN) submitted in this SBWS application amendment are true, accurate, and complete. I/We understand that submission of fictitious TINs is a misrepresentation of a material fact relevant to the eligibility of my/our employees under the Small Business Wage Subsidy (SBWS) Program and shall warrant my/our return of the paid-out subsidies to the Government.

I/We further certify that the company fully apprised the concerned employees of the fact that their TINs were amended and resubmitted.

I/We further certify that the employees in this SBWS application amendment, were fully informed of the purpose of sharing their personal and /or sensitive personal information with SSS, DOF, and BIR, and their authorized representatives, and that said employees gave their full consent to the collection, use, disclosure, or any form of processing of their personal and/or sensitive personal information, and all acts relevant thereto, such as but not limited to the post-verification of information by the Commission on Audit, to the extent necessary to achieve the purpose of the SBWS, subject to the provisions of the Data Privacy Act of 2012 and its Implementing Rules and Regulations and the Data Sharing Agreements entered into by the abovementioned agencies.

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ANNEX "D-1" Demand Letter for Employer

[DATE]

[NAME OF EMPLOYER]

[ADDRESS OF EMPLOYER]

Sir/Madam:

We write in relation to your application dated _____ for the grant of Small Business Wage Subsidy (SBWS) to your employees.

Our records disclosed that, in violation of Joint Memorandum Circular No. 001-2020, or the "Guidelines for the Availment of the Small Business Wage Subsidy Measure", as amended, you failed to maintain the employment status of your employee beneficiaries before the ECQ and other forms thereof and throughout the SBWS period, and/or made misrepresentation in your application the fact of payment of wages or other material facts relevant to the eligibility of your employees, as follows:

| Name of Employee and his SS number | Violation committed by the company in relation to the employee | Amount of subsidy in Tranche 1 and date granted | Amount of subsidy in Tranche 2 and date granted | Total amount of subsidy |
|------------------------------------|--|---|---|-------------------------|
| ... | | | | |
| Total | | P 999,999 | P 999,999 | P999,999 |

In view of the above, we demand the return of the total amount of [IN WORDS and IN FIGURES] within fifteen (15) calendar days from receipt hereof by depositing thru online banking or over-the-counter, to the account of the Bureau of the Treasury as follows: Land Bank Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy". No other mode of return shall be allowed.

Upon deposit of the amount of wage subsidy granted, please submit the scanned copy of the validated deposit slip or its online equivalent, to the SSS thru email at SBWSreturns@sss.gov.ph with the following information: (1) Name of employer and SSS ID number; (2) Name(s) of employee(s), SS number and amount deposited for each employee; (3) Reason for the return; (4) Total amount deposited, and (5) Date and time of deposit

You may contest this demand for return of the SBWS received, citing your reasons therefor and attaching supporting documents, within the prescribed period. The period within which to return the subsidy shall be tolled by the SPTF's receipt of your letter of contest and shall run again upon your receipt of the SPTF's resolution denying the letter of contest.

We trust that you will give this matter your prompt and preferential attention. Non-compliance shall result to the filing of the appropriate criminal and/or civil action.

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ANNEX "D-2" Demand Letter for DOLE-CAMP Beneficiaries

[DATE]

[NAME OF DOLE CAMP BENEFICIARY]

[ADDRESS OF DOLE CAMP BENEFICIARY]

Sir/Madam:

We write in relation to the application made by your employer on your behalf on [DATE OF APPLICATION] for the grant of Small Business Wage Subsidy (SBWS). The same was granted on [DATE GRANTED FOR TRANCHE 2] amounting to [IN WORDS and IN FIGURES], or a total amount of [IN WORDS and IN FIGURES].

Our records disclosed that, in violation of Joint Memorandum Circular No. 001-2020, or the "Guidelines for the Availment of the Small Business Wage Subsidy Measure", as amended, you were a beneficiary of the DOLE CAMP program and received both tranches of the SBWS in full. The JMC No. 001-2020, as amended, mandates that the wage subsidy for the second tranche under the SBWS of DOLE CAMP beneficiaries shall be net of the amount received under the CAMP program.

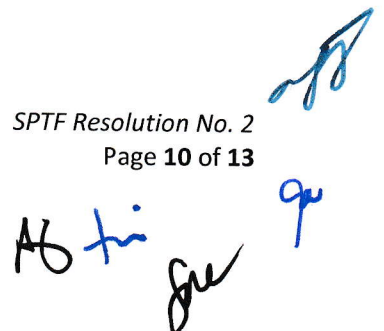
In view of the above, we demand the return of the excess amount of said subsidy granted to you within fifteen (15) calendar days from receipt hereof by depositing thru online banking or over-the-counter, to the account of the Bureau of the Treasury as follows: Land Bank Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy". No other mode of return shall be allowed..

Upon deposit of the full amount demanded, submit the scanned copy of the validated deposit slip or its online equivalent, to the SSS thru email at SBWSreturns@sss.gov.ph with the following information: (1) Name of employee and SS number; (2) Name of employer and SSS ID number if known, (3) Reason for the return; (4) Total amount deposited; and (5) Date and time of deposit.

You may contest this demand for return of the SBWS received, citing your reasons therefor and attaching supporting documents, within the prescribed period. The period within which to return the subsidy shall be tolled by the SPTF's receipt of your letter of contest and shall run again upon your receipt of the SPTF's resolution denying the letter of contest.

We trust that you will give this matter your prompt and preferential attention. Non-compliance shall result to the filing of the appropriate criminal and/or civil action.

THE SBWS PROGRAM TASK FORCE

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ANNEX "D-3" Demand Letter for Employee

[DATE]

[NAME OF EMPLOYEE]

[ADDRESS OF EMPLOYEE]

Sir/Madam:

We write in relation to the application made by your employer on your behalf on [DATE OF APPLICATION] for the grant of Small Business Wage Subsidy (SBWS). The same was granted on [DATE GRANTED FOR TRANCHE 1] amounting to [IN WORDS and IN FIGURES] and on [DATE GRANTED FOR TRANCHE 2] amounting to [IN WORDS and IN FIGURES], or a total amount of [IN WORDS and IN FIGURES].

Our records disclosed that, in violation of Joint Memorandum Circular No. 001-2020, or the "Guidelines for the Availment of the Small Business Wage Subsidy Measure", as amended, you resigned from your employment during the period of ECQ and other forms thereof imposed in Luzon and other parts of the country.

In view of the above, we demand the return of the total amount of said subsidy granted to you within fifteen (15) from receipt hereof by depositing thru online banking or over-the-counter, to the account of the Bureau of the Treasury as follows: Land Bank Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy". No other mode of return shall be allowed.

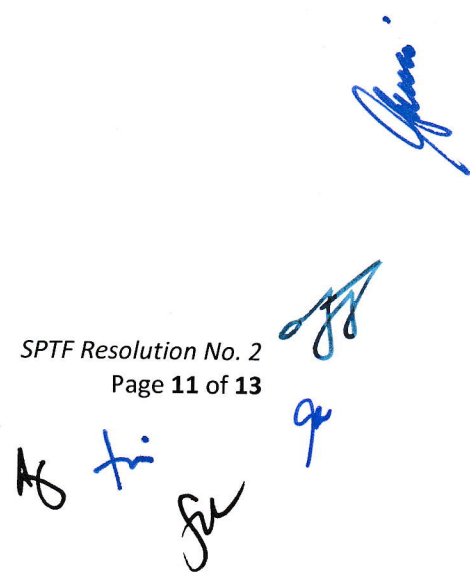
Upon deposit of the full amount demanded, submit the scanned copy of the validated deposit slip or its online equivalent, to the SSS thru email at SBWSreturns@sss.gov.ph with the following information: (1) Name of employee and SS number; (2) Name of employer and SSS ID number, if known, (3) Reason for the return; (4) Total amount deposited; and (5) Date and time of deposit.

You may contest this demand for return of the SBWS received, citing your reasons therefor and attaching supporting documents, within the prescribed period. The period within which to return the subsidy shall be tolled by the SPTF's receipt of your letter of contest and shall run again upon your receipt of the SPTF's resolution denying the letter of contest.

We trust that you will give this matter your prompt and preferential attention. Non-compliance shall result to the filing of the appropriate criminal and/or civil action.

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Annex "E" Acknowledgement of Receipt of SBWS Return

TO BE SENT BY SSS VIA EMAIL TO THE SAME ADDRESS USED BY PAYOR IN SENDING THE
VALIDATED DEPOSIT SLIP AND WITHOUT BREAKING THE THREAD

ACKNOWLEDGEMENT OF RECEIPT OF SBWS RETURN

We acknowledge the receipt of the scanned copy of validated deposit slip or its online equivalent, issued by Land Bank/depositing bank dated _____ with time stamp _____ for Current Account Number: 0012-1188-80 with account name "Return of Small Business Wage Subsidy" in the amount of [IN FIGURES].

[INSERT IF DATA IS INCOMPLETE]

We noted however that no information was given with respect to [CITE DEFICIENCIES].

Please complete the above information and send it immediately thru email at SBWSreturns@sss.gov.ph]

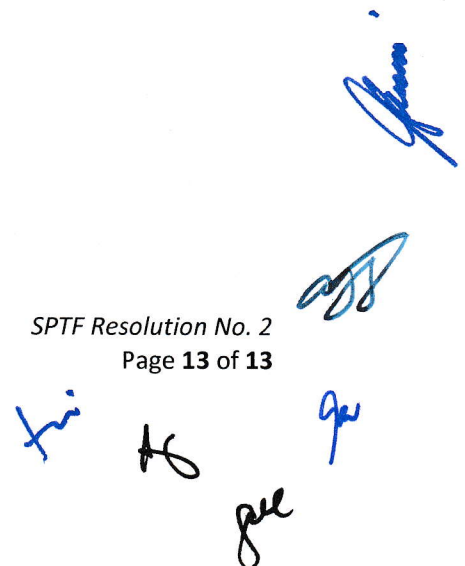
Thank you.]

POSSIBLE DEFICIENCIES:

1. In case of an employer: (1) Name of employer and SSS ID number; (2) Name(s) of employee(s), SS number and amount deposited for each employee; (3) Reason for the return.
2. In case of an employee: (1) Name of employee and SS number; (2) Name employer and SSS ID number if known, (3) Reason for the return.

Annex "F" Report on Returns Made

| | Name of Payor | Amount Deposited | LBP Deposit Validation No. and Date | Bureau of the Treasury Statement of Account No. and Date |
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