

NOTICE

To: ALL CONCERNED

Subject: EXPOSURE DRAFT ON THE REVISED FINES AND PENALTIES ON SUBMISSION OF REPORTORIAL REQUIREMENTS (AFS & GIS)

The public is advised that the Commission in its meeting on 25 April 2023 resolved to expose the draft Revised Scale of Fines and Penalties (“Revised Scale”) related to submission of reportorial requirements such as the Audited Financial Statements (AFS) and General Information Sheet (GIS), as well as the penalty for non-compliance with Memorandum Circular (MC) No. 28, s. 2020 for comments and suggestions of all concerned parties.

The Commission on 15 March 2023, provided the grant of amnesty to non-compliant and suspended/revoked corporations through Memorandum Circular No. 2, s. 2023, which provided regulated entities opportunity to settle their fines and penalties at a reduced rate to encourage compliance with reportorial requirements. With the number of applications received and processed, the Commission saw the need to reevaluate its existing scale of fines and penalties upon a thorough review of all active regulated entities, to meaningfully deter violations and/or non-compliance with current regulations.

Listed below are the revised scale of fines and penalties:

I. Late and Non-Filing of AFS and GIS

A. Domestic Corporations

VIOLATIONS	BRACKET	IMPOSABLE FINES & PENALTIES – PER REPORT				
Late Filing of Reportorial Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Retained Earnings	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense
1. Stock Corporations	Negative Retained Earnings (Deficit)	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
		Plus Php 500/month ¹ for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
	Php 0 to Php 100,000	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000

¹ A fraction of a month shall be considered a whole month. Moreover, the monthly penalty shall start from the prescribed due date of the reportorial requirement submission.

	Php 100,001 to Php 500,000	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
2. Non- Stock Corporati ons	Negative Fund Balance/Equity (Deficit)	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
	Php 0 to Php 100,000	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 7,500	Php 9,000	Php 10,500	Php 12,000	Php 13,500
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 12,500	Php 15,000	Php 17,500	Php 20,000	Php 22,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
Non-Filing of Reportorial Requiremen ts (General Information Sheet, Audited Financial Statements, etc.)	Based on Retained Earnings	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense
1. Stock Corporati ons	Negative Retained Earnings (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month

	Php 100,001 to Php 500,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 500,001 to Php 5,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 5,000,001 to Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	2. Non- Stock Corporati ons	Negative Fund Balance/Equity (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
			Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
		Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
			Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
Php 100,001 to Php 500,000		Php 12,500	Php 15,000	Php 17,500	Php 20,000	Php 22,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 500,001 to Php 5,000,000		Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 5,000,001 to Php 10,000,000		Php 17,500	Php 21,000	Php 24,500	Php 28,000	Php 31,500	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Above Php 10,000,000		Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	

B. Foreign Corporations

VIOLATIONS	BRACKET	IMPOSABLE FINES & PENALTIES – PER REPORT				
Late Filing² of Reportorial Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Accumulated Income (AI)	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense

² If the delay for filing exceeds 30 days from the prescribed filing period, it shall be considered as non-compliance or non-filing.

1. Stock Corporations (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 100,001 to Php 500,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 500,001 to Php 5,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 5,000,001 to Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	2. Non-Stock (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
			Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
Php 0 to Php 100,000		Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 100,001 to Php 500,000		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 500,001 to Php 5,000,000		Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 5,000,001 to Php 10,000,000		Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Above Php 10,000,000		Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Non-Filing of Reportorial							

Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Accumulated Income (AI)	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	
1. Stock Corporations (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 100,001 to Php 500,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 500,001 to Php 5,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 5,000,001 to Php 10,000,000	Php 40,000	Php 48,000	Php 56,000	Php 64,000	Php 72,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Above Php 10,000,000	Php 50,000	Php 60,000	Php 70,000	Php 80,000	Php 90,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	3. Non- Stock Corporations	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
			Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
Php 0 to Php 100,000		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 100,001 to Php 500,000		Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 500,001 to Php 5,000,000		Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 5,000,001 to Php 10,000,000		Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	

	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month

II. Non-Compliance with MC. 28, s. 2020

VIOLATION	IMPOSABLE FINES & PENALTIES
Non-compliance with MC. 28, s. 2020	Php 20, 000

Although the Commission imposes corresponding fines and penalties related to late and/or non-compliance with reportorial requirements, there is still a concern on repeated violations which reflects that the existing rates per scale of fines and penalties are not sufficient deterrent for corporations to violate the requirements.

In revising the Scale of Fines on reportorial requirements, the Commission adopts the following changes:

1. Increase of twenty percent (20%) from the base penalty for each offense;
2. Monthly fine in the amount of One Thousand Pesos (Php 1,000.00) in addition to the base penalty for continuing violation until the reportorial requirement is submitted;
3. The Commission may declare the corporation under delinquent status in case of failure to submit the reportorial requirements for three (3) times, consecutively or intermittently, within a period of 5 years;
4. The Commission may revoke the registration starting on the fourth offense; and
5. For foreign corporations, if the delay exceeds 30 days from the prescribed filing period, it shall be considered as non-compliance/non-filing.

As to reportorial violation, it has been recognized that a distinction between “Non-filing” and “Late filing” should be made and the corresponding penalties be differentiated. “Non-filing of the report” should mean continuous failure to submit a report on due date and even after the next reporting deadline. “Late filing” should mean submission of the report after due date but still within the year of the prescribed deadline. Higher basic penalty and aggregate monthly fine (if applicable) should be imposed for non-submission of reports.

Please submit duly signed written comments on the draft Circular and Revised Scale **on or before 26 May 2023** to the following email addresses: raabundo@sec.gov.ph and crmd_monitoring@sec.gov.ph.



SEC MEMORANDUM CIRCULAR NO. _____
Series of 2023

TO : ALL CONCERNED

SUBJECT : UPDATED FINES AND PENALTIES ON THE LATE AND NON-SUBMISSION OF AUDITED FINANCIAL STATEMENTS (AFS) and GENERAL INFORMATION SHEET (GIS) AND NON-COMPLIANCE WITH MC NO. 28, s. 2020

WHEREAS, Section 179(o) and (p) of Republic Act (RA) No. 11232, otherwise known as the “Revised Corporation Code of the Philippines” (RCC), grants the Commission the power and authority to: (i) formulate and enforce standards, guidelines, policies, rules and regulations to carry out the provisions of the RCC; and (ii) exercise such other powers provided by law or those which may be necessary or incidental to carry out the powers expressly granted to it;

WHEREAS, the Commission on 15 March 2023, provided the grant of amnesty to non-compliant and suspended/revoked corporations through Memorandum Circular No. 2, s. 2023, which provided regulated entities opportunity to settle their fines and penalties at a reduced rate to encourage compliance with reportorial requirements;

WHEREAS, the Commission saw the need to reevaluate its existing scale of fines and penalties upon a thorough review of all active regulated entities, to meaningfully deter violations and/or non-compliance with current regulations;

NOW THEREFORE, the Securities and Exchange Commission shall impose the following fines and penalties to regulated entities for failure to file the required reportorial requirements (e.g., AFS and GIS) and failure to comply with MC. 28, s. 2020:

I. Late and Non-Filing of AFS and GIS

A. Domestic Corporations

VIOLATIONS	BRACKET	IMPOSABLE FINES & PENALTIES – PER REPORT				
		First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense
1. Stock Corporations	Based on Retained Earnings	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
	Negative Retained Earnings (Deficit)	Plus Php 500/month ¹ for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month

¹ A fraction of a month shall be considered a whole month. Moreover, the monthly penalty shall start from the prescribed due date of the reportorial requirement submission.



		Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
	Php 0 to Php 100,000	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
2. Non-Stock Corporations		Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
	Negative Fund Balance/Equity (Deficit)	Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
		Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
	Php 0 to Php 100,000	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 7,500	Php 9,000	Php 10,500	Php 12,000	Php 13,500
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 12,500	Php 15,000	Php 17,500	Php 20,000	Php 22,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
Non-Filing of Reportorial Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Retained Earnings	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense
1. Stock Corporations	Negative Retained Earnings (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php 500/month for	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month

		continuing violation				
		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
	Php 0 to Php 100,000	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
2. Non-Stock Corporations		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
	Negative Fund Balance/Equity (Deficit)	Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
	Php 0 to Php 100,000	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 12,500	Php 15,000	Php 17,500	Php 20,000	Php 22,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 17,500	Php 21,000	Php 24,500	Php 28,000	Php 31,500
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month

B. Foreign Corporations

VIOLATIONS	BRACKET	IMPOSABLE FINES & PENALTIES – PER REPORT					
Late Filing² of Reportorial Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Accumulated Income (AI)	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	
1. Stock Corporations (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 100,001 to Php 500,000	Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 500,001 to Php 5,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Php 5,000,001 to Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
	2. Non-Stock (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000
			Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
Php 0 to Php 100,000		Php 5,000	Php 6,000	Php 7,000	Php 8,000	Php 9,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 100,001 to Php 500,000		Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000	
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
Php 500,001 to Php 5,000,000		Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000	
		Plus	Plus	Plus	Plus	Plus	

² If the delay for filing exceeds 30 days from the prescribed filing period, it shall be considered as non-compliance or non-filing.

		Php1000/month	Php1000/month	Php1000/month	Php1000/month	Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
Non-Filing of Reportorial Requirements (General Information Sheet, Audited Financial Statements, etc.)	Based on Accumulated Income (AI)	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense
1. Stock Corporations (Branch, Representative Office, RHQ)	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 100,001 to Php 500,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 40,000	Php 48,000	Php 56,000	Php 64,000	Php 72,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
Above Php 10,000,000	Php 50,000	Php 60,000	Php 70,000	Php 80,000	Php 90,000	
	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	
3. Non- Stock Corporations	Negative Accumulated Income (Deficit)	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php 500/month for continuing violation	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month	Plus Php 500/month
	Php 0 to Php 100,000	Php 10,000	Php 12,000	Php 14,000	Php 16,000	Php 18,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
		Php 15,000	Php 18,000	Php 21,000	Php 24,000	Php 27,000
	Plus					

	Php 100,001 to Php 500,000	Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 500,001 to Php 5,000,000	Php 20,000	Php 24,000	Php 28,000	Php 32,000	Php 36,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Php 5,000,001 to Php 10,000,000	Php 25,000	Php 30,000	Php 35,000	Php 40,000	Php 45,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month
	Above Php 10,000,000	Php 30,000	Php 36,000	Php 42,000	Php 48,000	Php 54,000
		Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month	Plus Php1000/month

II. Non-Compliance with MC. 28, s. 2020

VIOLATION	IMPOSABLE FINES & PENALTIES
Non-compliance with MC. 28, s. 2020	Php 20, 000

In addition to the monetary fines that will be imposed, the Commission may declare a corporation under delinquent status in case of failure to submit reportorial requirements for three (3) times consecutively or intermittently within five (5) years. Further, after a corporation is given reasonable notice regarding its delinquent status, a fourth offense may already constitute a revocation of its registration.

This Circular shall take effect immediately upon completion of its publication in a newspaper of general circulation.

Done this ___ May 2023, Makati City, Philippines.

For the Commission:

EMILIO B. AQUINO
Chairperson