



6 February 2024

## National Pension Scheme Authority Penalty Waiver

The National Pension Scheme Authority (NAPSA) has introduced a penalty waiver for all penalties running for two years from 8<sup>th</sup> January 2024 to 7<sup>th</sup> January 2026. The penalty waivers are categorised as follows:

### 1. Category 1- Penalties incurred prior to 6th December 2022

- All penalties incurred prior to 6th December 2022 shall have a two-year waiver period which will run from 8th January 2024 to 7th January 2026.

### 2. Category 1- Penalties incurred after to 6th December 2022

- The waiver of penalties incurred after 6th December 2022 shall run until the revocation or amendment of the Penalty Waiver Regulations.

## Eligibility

All employers registered with NAPSA are eligible to apply for penalty waiver subject to conditions prescribed in the Penalty Waiver Regulations. The waiver shall apply to all penalties incurred prior to and after the enactment of the Penalty Waiver Regulations subject to conditions prescribed therein.

## How Will The Penalty Waiver Work?

Applicants are entitled to a waiver upon payment of the principal contributions as follows:

### Penalties Incurred During the Covid Pandemic Period

- 100% waiver where the employer incurred penalties during the Covid Pandemic Period (14<sup>th</sup> March 2020 to 8<sup>th</sup> September 2022) and has no outstanding principal contributions or settles the outstanding principal contributions for the application period by 7<sup>th</sup> January 2025.
- 75% waiver where the employer pays the outstanding principal contributions for the application period after 7<sup>th</sup> January 2025 but before 8<sup>th</sup> January 2026.

### Penalties Incurred Outside the Covid Pandemic Period

- 75% waiver where the employer has no outstanding principal contributions or pays the outstanding contributions for the application period by 7th January 2025.
- 60% waiver where the employer pays the outstanding principal contributions for the application period after 7<sup>th</sup> January 2025 but before 8<sup>th</sup> January 2026.

## How can KPMG help?

For you to take advantage of this benefit, KPMG can assist you with application of penalty waiver.

**For more information and assistance, please contact:**



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