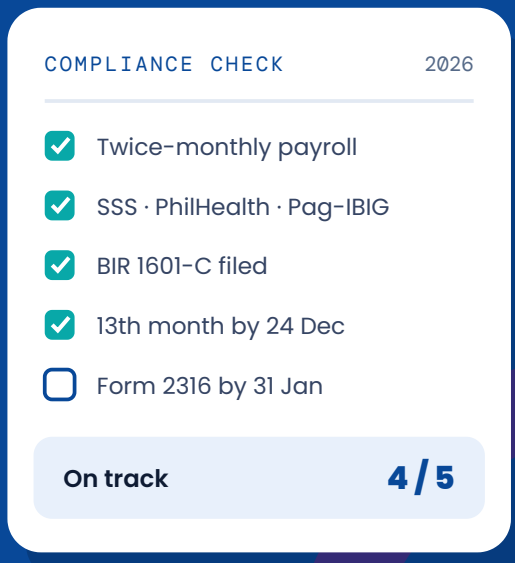
Remotify

2026 WHITEPAPER

Philippines Labor Compliance 101 for Foreign Employers

The rules, rates, deadlines and pitfalls that matter when you employ people in the Philippines, updated for 2026.



ABOUT THIS WHITEPAPER

A practical overview of employing people in the Philippines, compliantly

From minimum wages and 13th-month pay to contributions and tax filings, Philippine employment rules are detailed and enforced. Small mistakes, such as a late remittance or the wrong employment type, can turn into back pay, penalties and lost trust.

Who it's for

Founders, HR, finance and operations teams outside the Philippines who employ, or plan to employ, Filipino talent.

What it covers

The legal framework, employment types, labour standards, contributions, payroll and tax, contractor risk, common pitfalls and hiring without a local entity.

How to use it

Read it once for the big picture, then keep the compliance calendar on page 14 and the pitfalls on pages 20–21 close to hand.

What's inside

- The Labor Code, DOLE and the NLRC
- Employment types and how to use them
- Wages, hours, holidays, leave and 13th-month pay
- 2026 SSS, PhilHealth and Pag-IBIG rates
- BIR withholding, forms and deadlines
- A 2026 compliance calendar
- Contractor risk and the true cost of employment
- Eight common pitfalls, and how to avoid them

INFORMATION CURRENT AS OF NOVEMBER 2026

Philippine rules and rates change, sometimes at short notice. This whitepaper is general information, not legal or tax advice. Check current requirements with the relevant agency or a qualified adviser before making employment decisions. Every rate and rule is referenced in **Sources & References** at the end.

CONTENTS

Inside this whitepaper

01	Why compliance matters in the Philippines	p.05
02	Core foundations of Philippine labour law	p.07
03	Employment standards you must follow	p.10
04	Statutory contributions and the compliance calendar	p.13
05	Payroll and tax compliance	p.15
06	Contractor vs. employee risks	p.18
07	The true cost of employment	p.19
08	Common compliance pitfalls	p.20
09	Compliance without a local entity	p.22
10	FAQs	p.23
11	How Remotify can help	p.25
12	Sources & references	p.26

PART ONE

The foundations

Why compliance matters, who enforces it, and the employment types every foreign employer needs to understand.

01 Why compliance matters in the Philippines

02 Core foundations of Philippine labour law

Why compliance matters in the Philippines

The talent opportunity is real. So is the rulebook. Getting compliance right decides whether you can operate smoothly, keep your people and protect your reputation.

1.9M

IT-BPM WORKERS, 2025

The sector earned more than **US$40B**.

IBPAP, Jan 2026 · industry estimate

7 in 10

REMOTE WORKERS WITH NO BENEFITS BEYOND SALARY

Many remote arrangements are informal.

Remotify research, 2026

77%

WANT A LOCAL EMPLOYMENT RECORD

Formal employment is what talent wants.

Remotify research, 2026

Legal and regulatory risks

Risk	What it looks like
Penalties	Late SSS contributions carry a **2% monthly penalty**. Late withholding tax attracts a **25% surcharge plus 12% annual interest**. Misclassification brings back pay, retroactive benefits and possible dismissal awards.
Inspections	DOLE can inspect any employer and order compliance. Keep payroll records, contracts and time records ready. In May 2026, the new Labor Secretary said DOLE would review contractualization practices.
Employee claims	Workers can bring cases for back pay, benefits, regularisation or illegal dismissal. These cases are slow, public and costly.

The business case, beyond penalties

Compliance isn't only a cost of doing business. Done well, it's one of the reasons good people choose you, and stay.

When compliance slips

- **Turnover.** People without benefits, or with mishandled contracts, leave for employers who get it right.
- **Reputation.** The Philippine talent market is closely networked. Word travels fast.
- **Distraction.** Disputes and compliance orders take management time and can delay hiring.

When it's done right

- **Retention.** People stay when they receive their benefits and feel protected.
- **Employer brand.** Being known as a fair employer makes hiring easier.
- **Scalability.** A clean foundation makes growth faster and due diligence easier.

What Filipino remote workers told us

77%

want a local employment record, even while working remotely

78%

are open to being employed through an Employer of Record

~40%

have struggled to prove income for loans, credit cards or government benefits

Remotify Remote Work Report: Philippines 2026 (n = 1,642; fieldwork Mar-Apr 2026).

Core foundations of Philippine labour law

Philippine labour law puts worker protection at the centre. Policies copied from other countries often don't fit, so start with the framework.

The Labor Code

The rulebook for hours, rest days, overtime, benefits, leave, contributions and dismissal. It applies to every employer, foreign or local.

DOLE

Inspects workplaces and records, hears complaints and issues compliance orders, which can require payment of unpaid wages and benefits.

The NLRC

The National Labor Relations Commission handles larger disputes, such as illegal-dismissal claims.

Two principles to remember

MINIMUMS CAN'T BE WAIVED

Contracts can give more than the law, never less, even if both sides agree (Labor Code Art. 6 and related rules).

DOUBTS FAVOUR THE WORKER

Where the law or a contract is unclear, it's interpreted in the employee's favour (Labor Code Art. 4). Clear documentation matters.

What the Labor Code covers

- Standard hours, rest days, overtime and premium pay
- Mandatory benefits such as 13th-month pay and leave
- Statutory contributions to SSS, PhilHealth and Pag-IBIG (through related laws)
- Rules for termination and due process

Employment types you must understand

Each type has its own rules. Using the wrong one is a common route to disputes and back pay.

Type	What it means
Probationary	Trial period of up to **six months**. The standards for becoming regular must be shared **at the start**, or the employee may be treated as regular from day one (Art. 296).
Regular	Work that is usually necessary or desirable to your business. Full security of tenure and benefits (Art. 295).
Project-based	Hired for a specific project with a defined end. Employment ends when the project does.
Seasonal	Work tied to a season or recurring period, for that period only.
Casual	Occasional work not usually necessary to the business. Becomes regular after one year of service, continuous or not (Art. 295).
Fixed-term	Allowed when the term is knowingly and voluntarily agreed and not designed to get around security of tenure. Repeated renewals for ongoing work are a red flag.

ILLUSTRATIVE EXAMPLE

A designer on **₱50,000 a month** is kept on rolling "projects" for **14 months** and is later found to be a regular employee. 13th-month pay and employer contributions alone come to the figure shown, before penalties, leave and any claims:

13th-month pay (14 months)	₱58,333
Employer contributions (₱4,980 × 14)	₱69,720
Total	**≈ ₱128,000**

HOW REMOTIFY HELPS

Remotify issues locally compliant employment contracts, including probation standards and IP protection clauses, and enrols employees in SSS, PhilHealth and Pag-IBIG.

PART TWO

Paying people right

Labour standards, statutory contributions, payroll mechanics and the tax filings that come with every payslip.

03 Employment standards you must follow

04 Statutory contributions and the compliance calendar

05 Payroll and tax compliance

Wages, hours and overtime

These standards affect every payslip. Mistakes are noticed quickly, and they're a common source of complaints.

Minimum wage

There's no single national minimum wage. Regional wage boards set rates by region. Pay is based on where the employee works, not where your company is incorporated. For remote employees, that generally means the region where they actually work, such as their home.

NCR-26 · JUL 2025 – SEP 2026

₱695 /day

Metro Manila, non-agriculture

NCR-28 · IN EFFECT 26 SEP 2026

₱755 /day

₱718 for small establishments

An earlier 2026 order (NCR-27) remains blocked in court. Rates differ by region. **Check the current rate with the NWPC** before you set pay.

Hours, overtime and premiums

Standard	Requirement
Normal hours	Up to 8 hours a day. Many employers run a 5-day, 40-hour week.
Overtime	+25% of the hourly rate on ordinary days. Overtime on a rest day or holiday is paid on top of the premium rate.
Night shift differential	At least +10% for work between 10pm and 6am (common for roles on US hours)
Rest day	At least one rest day a week; work on a rest day earns a 30% premium

Holidays and leave

The Philippines has **12 regular holidays** (10 fixed dates plus Eid'l Fitr and Eid'l Adha, declared separately) and several special non-working days. The 2026 list is set by **Proclamation No. 1006**.

Regular holidays

e.g., New Year's Day, Independence Day, Christmas Day
Worked: 200% of the daily rate
Not worked: 100%, if present (or on paid leave) the workday before

Special non-working days

e.g., Ninoy Aquino Day, All Saints' Day
Worked: at least 130%
Not worked: "no work, no pay", unless policy or contract says otherwise

Leave entitlements

Leave	Entitlement
Service incentive leave	5 days' paid leave a year after one year of service; unused days are usually converted to cash. It's the only **general** paid leave the law requires (Art. 95).
Maternity (RA 11210)	105 days paid (+15 for solo mothers; optional 30 days unpaid). The employer advances the SSS benefit and pays the **salary differential** (full pay minus the SSS benefit) unless DOLE has approved an exemption.
Paternity (RA 8187)	7 days paid, for the first four deliveries of a legal spouse
Solo parent (RA 8972, as amended by RA 11861)	7 working days a year after six months of service
VAWC (RA 9262)	Up to 10 days paid for victims of violence against women and their children
Special leave for women (RA 9710)	Up to two months' full pay after gynaecological surgery

13th-month pay

One of the most important obligations, and one foreign employers most often get wrong.

AMOUNT

One-twelfth of basic salary

1/12 of the total basic salary earned in the calendar year. Allowances and bonuses that aren't part of basic pay are excluded.

DEADLINE

On or before 24 December

Every year, under Presidential Decree No. 851.

COVERAGE

All rank-and-file employees

Regardless of position or how they're paid, as long as they worked at least one month in the calendar year. Pro-rated for partial years.

TAX

Tax-free up to ₱90,000

Combined with other bonuses, per year. Bills to raise tax-free thresholds were still pending in November 2026.

NOT THE SAME AS A BONUS

Performance bonuses don't replace 13th-month pay. It's a statutory payment, due whatever the company's results.

HOW REMOTIFY HELPS

Remotify's managed payroll applies wage orders, overtime, night differential and holiday premiums, tracks leave, and accrues 13th-month pay monthly so December is planned.

Statutory contributions: SSS, PhilHealth and Pag-IBIG

Every employee must be enrolled in three government funds. You deduct the employee's share, add your own and pay both each month.

2026 rates	SSS	PhilHealth	Pag-IBIG (HDMF)
Covers	Retirement, sickness, maternity, disability, death, unemployment	National health insurance	Housing loans and savings
Employer share	10% + ₱10 or ₱30 EC	2.5%	2%
Employee share	5%	2.5%	2% (1% if salary ≤ ₱1,500)
Salary base	MSC ₱5,000 – ₱35,000	₱10,000 – ₱100,000	Up to ₱10,000
Max employer share / month	**₱3,530**	**₱2,500**	**₱200**
Max employee share / month	₱1,750	₱2,500	₱200
Payment due	Last day of the following month	Monthly, per PhilHealth schedule	Monthly, per Pag-IBIG schedule
If late	**2% a month** penalty	Interest; employer liable for what PhilHealth would have paid	Penalties on late remittance

SSS example

On a ₱40,000 salary, contributions are based on the ₱35,000 cap: employer **₱3,530** (incl. ₱30 EC), employee **₱1,750**.

PhilHealth example

On ₱60,000: 5% = ₱3,000, split **₱1,500** each. Based on basic salary only. No change for 2026.

Pag-IBIG example

On ₱15,000: 2% of the ₱10,000 cap = **₱200** each. Most employees pay ₱200, matched by the employer.

2026 compliance calendar

Two paydays, three agencies and at least one BIR return every month, plus a busy stretch from December to February.

Every month

10th

BIR 1601-C

File and pay last month's withholding (or your eFPS date, 11th–15th)

15th

First payroll

Pay salaries and issue payslips

Agency dates

PhilHealth & Pag-IBIG

Pay last month's contributions on each agency's schedule

30/31

Payroll + SSS

Second payroll; last month's SSS contributions due

Every year

When	What
24 December	13th-month pay released
15 January	December 1601-C due
31 January	1604-C and alphalist filed; Form 2316 given to each employee
28 February	Signed 2316s submitted to the BIR
15 April	Annual income tax return (Form 1702), **if you have a Philippine entity**
Each January / new wage order	Check contribution rates, tax rules and regional minimum wages

New hires: register with SSS, PhilHealth and Pag-IBIG. Leavers: final pay within 30 days, certificate of employment within 3 days of request, Form 2316 at separation. Deadlines on weekends or holidays usually move to the next working day.

Payroll and tax compliance

In the Philippines, the employer is the **withholding agent** for its employees' income tax. You calculate it every payroll, withhold it, pay it to the Bureau of Internal Revenue (BIR) and report it.

Paying people

Wages must be paid at least **twice a month, no more than 16 days apart**, in legal tender, which in practice means pesos, by cash or bank transfer (Labor Code Arts. 102–103). You can budget and be invoiced in US dollars; employees are paid in pesos. Each payslip is effectively a legal record of pay, deductions and tax.

The forms that matter

Form	What it is	Deadline
1601-C	Monthly return and payment of tax withheld on compensation	10th of the following month (manual/eBIRForms), or your eFPS group's date (11th–15th). December: 15 January
1604-C	Annual information return, with alphalist of employees	31 January
2316	Certificate of compensation and tax withheld, per employee	To employees by **31 January**; to the BIR by **28 February**; also on separation

Withholding on compensation is filed monthly only; there's no quarterly compensation return. Late 2316s can block employees' loan and visa applications.

2026 income tax on compensation (annual)

Annual taxable income	Tax due
₱250,000 or less	0%
₱250,001 – ₱400,000	15% of the excess over ₱250,000
₱400,001 – ₱800,000	₱22,500 + 20% of the excess over ₱400,000
₱800,001 – ₱2,000,000	₱102,500 + 25% of the excess over ₱800,000
Over ₱2,000,000	₱402,500 + 30% (35% above ₱8,000,000)

Penalties, benefits and year-end

What late payment costs

Late tax attracts a **25% surcharge**, **12% annual interest** and a compromise penalty under the BIR's schedule. Under the Ease of Paying Taxes Act, micro and small taxpayers pay a reduced 10% surcharge and 6% interest.

WORKED EXAMPLE

₱100,000 of withheld tax paid **90 days late** by a regular taxpayer:

Tax withheld	₱100,000
Surcharge (25%)	₱25,000
Interest (12% p.a. × 90/365)	₱2,959
Total owed	**₱127,959**

Before any compromise penalty.

Tax-free benefits in 2026

Besides the ₱90,000 bonus exemption, **de minimis** benefits within BIR limits are tax-free. Limits rose from 6 January 2026 under RR 29-2025:

₱2,500
rice subsidy / month

₱8,000
uniform allowance / year

₱12,000
medical assistance / year

₱400
laundry allowance / month

Year-end crunch

13th-month pay (24 Dec), the December 1601-C (15 Jan), 1604-C and employee 2316s (31 Jan) and BIR 2316 copies (28 Feb) all land within ten weeks. If you have a Philippine entity, the annual income tax return follows on 15 April.

HOW REMOTIFY HELPS

As the legal employer, Remotify withholds and remits tax every payroll, files 1601-C monthly and 1604-C annually, and issues Form 2316 to every employee.

PART THREE

Managing risk

Contractor risk, the true cost of employment, the pitfalls we see most often, and how to stay compliant without a local entity.

06 Contractor vs. employee risks

07 The true cost of employment

08 Common compliance pitfalls

09 Compliance without a local entity

Contractor vs. employee risks

In Philippine law, labels don't decide status. The working relationship does. If someone works like an employee, they'll be treated as one, whatever the contract says.

1	2	3	4
Selection	**Wages**	**Dismissal**	**Control**
Who chose the worker?	Who pays them, and how?	Who can end it?	Who controls *how* the work is done?

Courts and DOLE apply this **four-fold test**, with control as the deciding factor, and also look at **economic dependence**. The law resolves doubts in the worker's favour, and the burden of proving independence is on you. **DOLE Department Order 174-17** adds rules for three-party arrangements through contractors or agencies. In May 2026, DOLE said it would review those rules.

Red flags

- Fixed schedules you set
- Working only for you
- Company-issued laptops and accounts
- Direct supervision and performance reviews
- A fixed monthly fee with no end date

If reclassified

- You're deemed the employer
- Back pay, 13th-month pay and leave
- Contributions with penalties
- Possible dismissal awards: reinstatement or separation pay, back wages

WHERE REMOTIFY FITS

Formal employment through Remotify removes the misclassification question for those roles. For people who should stay on contracts, Remotify offers Contractor and Contractor of Record services. For a full comparison, see our whitepaper *Employer of Record vs. Contractor in the Philippines*.

07 TRUE COST

The true cost of employment

Contractors look cheaper because you only pay an invoice. Here's what compliant employment of a ₱40,000 role costs in 2026, and what you avoid.

Cost component	Contractor	Employee via Employer of Record
Base pay	₱40,000	₱40,000
Employer SSS (incl. ₱30 EC)	—	₱3,530
Employer PhilHealth (2.5%)	—	₱1,000
Employer Pag-IBIG	—	₱200
13th-month accrual	—	₱3,333
Statutory cost on top of salary	**₱0**	**₱8,063 (+20.2%)**
Total before provider fee	**₱40,000**	**₱48,063**
Private health insurance (HMO)	—	Included in Remotify's standard plan
Remotify fee	—	US$99 + 18% of gross salary, capped at US$399

Calculated from 2026 SSS, PhilHealth and Pag-IBIG rates and PD 851. Figures rounded.

WHAT RECLASSIFICATION CAN COST

For this role over two years: about **₱193,520** in 13th-month pay and employer contributions alone, before penalties, leave, holiday pay and any dismissal claim.

CHECK THE BILLING TERMS

Many providers invoice monthly (your team is paid twice a month), bill the first month in advance and add an FX buffer. Ask for a full breakdown.

SEE YOUR OWN NUMBERS

Use Remotify's Employee Cost Calculator to see costs for your roles.

Employee cost calculator →

Common compliance pitfalls for foreign employers

01 **Treating employees as contractors**

Fixed schedules, company equipment and supervision make someone an employee, whatever the contract says. The result is retroactive benefits, contributions and possible dismissal claims.

02 **Missing payroll and tax deadlines**

The BIR has no grace periods. Late 1601-C payments attract a 25% surcharge plus 12% interest. Form 2316 is due to employees by 31 January.

03 **Treating 13th-month pay as a bonus**

It's statutory, due by 24 December whatever the company's results, and performance bonuses can't replace it.

04 **Paying employees in foreign currency**

The Labor Code requires legal tender, which in practice means pesos. Budget and be invoiced in USD if you like, but pay employees in pesos.

More pitfalls to avoid

05 Failing to protect payroll data

The Data Privacy Act requires safeguards, a Data Protection Officer and breach reporting to the NPC within 72 hours. Fines can reach ₱5 million.

06 Underestimating employee awareness

Filipino employees know their entitlements. When benefits are late or missing, complaints follow, and the law favours the worker where there's doubt (Art. 4). Documentation matters.

07 Not sharing probation standards on day one

If the standards for regularisation aren't made known at the start, the employee may be treated as regular from day one.

08 Treating remote staff differently

The Telecommuting Act requires remote employees to get treatment no less favourable than comparable on-site staff, including pay, leave, workload and training.

Compliance without a local entity

You don't need a Philippine company to employ people compliantly. An Employer of Record becomes the legal employer while you direct the work.

YOUR OWN ENTITY

- **US$200,000** minimum paid-up capital for most foreign-owned domestic companies (US$100,000 for qualifying startups or advanced-technology firms with mostly Filipino staff, minimum 15)
- SEC, local, BIR, SSS, PhilHealth and Pag-IBIG registrations
- Ongoing audits, filings and corporate secretarial work
- Typically several months before you can hire

EMPLOYER OF RECORD

- Locally compliant contracts
- SSS, PhilHealth and Pag-IBIG enrolment
- Payroll, deductions and contributions
- BIR filings and Form 2316 for every employee
- 13th-month pay and statutory benefits
- Statutory obligations handled by a registered local employer

HOW FAST IN PRACTICE

Remotify aims to find and pre-screen candidates within **10 to 20 business days**, and onboarding typically takes **2 business days** once documents are complete.

Before you choose a provider, ask

- [ ] Do you employ through **your own** registered Philippine entity?
- [ ] Can you show monthly proof of remittances?
- [ ] Is private health insurance (HMO) included?
- [ ] How do you bill: in advance, with what FX rate or buffer?

10 FAQS

Frequently asked questions

Can I hire Filipino workers as contractors only?

Yes, if they're truly independent. If you set schedules, provide equipment or supervise their daily work, the four-fold test may make them employees, and you'd owe contributions and benefits retroactively.

What happens if contractors are reclassified as employees?

You're treated as the employer and owe back pay, 13th-month pay, leave and SSS, PhilHealth and Pag-IBIG contributions with penalties, plus reinstatement or separation pay and back wages if you ended the arrangement. For a ₱40,000 role over two years, 13th-month pay and employer contributions alone come to about ₱193,520.

Is 13th-month pay mandatory for all workers?

For all rank-and-file employees who worked at least one month in the calendar year, by 24 December. Bonuses can't replace it. Genuine contractors aren't entitled, but misclassified workers can claim it retroactively.

Do I need a Philippine company to hire employees?

No. An Employer of Record can employ, pay and enrol your team without a subsidiary. A local entity typically takes several months of registrations to set up.

10 FAQS

More questions

How predictable are Employer of Record costs?

Very. You pay salary, statutory contributions and a service fee, which is usually a flat monthly amount, a percentage of salary, or both. Remotify charges US$99 per employee per month plus 18% of gross monthly salary, capped at US$399, with HMO included.

Is an Employer of Record legal in the Philippines?

Yes. There's no specific EOR licence. An Employer of Record is legal when it is a genuine employer, with its own registered Philippine entity, active SSS, PhilHealth, Pag-IBIG and BIR registrations, and DOLE registration where required.

Why do employees prefer employment over contractor status?

Stability and benefits: SSS, PhilHealth and Pag-IBIG, 13th-month pay, holiday premiums, private health insurance (HMO, included in Remotify's standard plan) and clear payslips. In Remotify's 2026 survey, 78% were open to employment through an Employer of Record.

KEY TAKEAWAYS

01 Minimum rights can't be waived by contract.

02 Pay twice a month, in pesos, on time.

03 Budget about 20% on top of salary for statutory costs.

04 December to February is filing season.

Build your team in the Philippines. We'll handle the rest.

Remotify combines outsourcing and Employer of Record services to help you build high-performing remote teams in the Philippines, with compliant employment, payroll, benefits and people support handled locally.

EMPLOYER OF RECORD PRICING

US$99 /employee /month

+ 18% of gross monthly salary, capped at US$399

Employee salaries and statutory employer costs are separate. Private health insurance (HMO) is included in the standard EOR service at no additional cost.

Budget with confidence

You get a clear breakdown of employment costs and management fees as you build and grow your Philippine team.

Need more?

For talent sourcing, equipment, training or specialised services, our team can prepare a tailored proposal.

Compliant employment

Contracts under Remotify's own Philippine entity, with probation standards and IP protection clauses.

Payroll & filings

Peso payroll, contributions, 1601-C, 1604-C and Form 2316, with 13th-month pay accrued monthly.

HR support

Leave, expenses, terminations and labour-law guidance, plus the weekly I.N.S.P.I.R.E. programme.

READY WHEN YOU ARE

Want a second pair of eyes on your compliance?

Talk to an HR expert about your current setup, converting contractors or hiring in the Philippines. We'll walk you through the costs for your roles. There's no obligation.

Book a call → www.remotify.com

Sources & references

PHILIPPINE LAWS AND GOVERNMENT SOURCES

01 Labor Code of the Philippines (PD 442, as amended), Arts. 4, 6, 83–95, 102–103, 128, 224, 294–299; DOLE Department Advisory No. 01-2015 (renumbering). lawphil.net

02 Presidential Decree No. 851, 13th-Month Pay Law.

03 Proclamation No. 1006 (2026 regular holidays and special days); RA 9849.

04 Republic Act No. 11199, Social Security Act of 2018; SSS "Pay Contributions". sss.gov.ph

05 PhilHealth Advisory No. 2025-0002 (5%; ₱10,000–₱100,000); RA 11223, Universal Health Care Act.

06 Republic Act No. 9679 and HDMF Circular No. 460 (Pag-IBIG).

07 NIRC as amended by RA 10963 (TRAIN), Secs. 24(A), 248–249; RA 11976, Ease of Paying Taxes Act.

08 Revenue Regulations No. 11-2018 (Forms 1601-C, 1604-C, 2316); BIR Form 1604-C (Jan 2018); BIR eFPS guidelines.

09 Revenue Regulations No. 29-2025, de minimis benefit limits (effective 6 Jan 2026).

10 National Wages and Productivity Commission, Wage Orders NCR-26, NCR-27, NCR-28. nwpc.dole.gov.ph

11 RA 11210 and IRR (maternity); RA 8187 (paternity); RA 8972 as amended by RA 11861 (solo parents); RA 9262 (VAWC); RA 9710 (Magna Carta of Women).

12 RA 11165, Telecommuting Act; RA 10173, Data Privacy Act; NPC Circular 16-03.

13 DOLE Department Order No. 174, Series of 2017; DOLE Department Order No. 183, Series of 2017.

14 Republic Act No. 11647, amending the Foreign Investments Act.

COMMENTARY AND THIRD-PARTY SOURCES

15 Manila Times, "Court allows labor groups to join wage hike legal tussle" (22 Oct 2026).

16 Respicio & Co., "Regional minimum wage applicable to workers assigned outside head office region" (Nov 2025); Labor Code Art. 301 and DO 174-17 (Sep 2025).

17 laborcode.ph, "SSS Maternity Benefit" (Sep 2026); laborlaw.ph, "Labor-only Contracting" (updated Apr 2025).

18 DZRH News, "New DOLE chief vows to scrutinize contractualization" (26 May 2026).

19 Rappler, "LIST: Philippine holidays for 2026".

20 Rippling, "Employer of Record in the Philippines: 2026 hiring guide" (Sep 2026).

21 IBPAP via Philstar, "IT-BPM revenues breach $40 billion mark" (29 Jan 2026).

22 Grant Thornton Philippines, "New income tax exemption cap" (Aug 2026), on pending HB 10345.

REMOTIFY

23 Remotify, Enabling Freedom: Remotify Remote Work Report, Philippines 2026 (n = 1,642; fieldwork March–April 2026).

24 Remotify.com: Employer of Record, Employee Cost Calculator and Global pages (accessed Nov 2026); Remotify pricing as provided by Remotify, Nov 2026.

DISCLAIMER

This whitepaper is for general information only and is not legal, tax or financial advice. Philippine employment, tax and social security requirements change often. Verify current requirements with the relevant government agency or a qualified professional before making employment decisions. Information is current as of November 2026. Illustrative examples are calculated, not real cases. Remotify pricing and service details are as published by Remotify and may change.

Remotify

Build your remote team with Remotify.

www.remotify.com

Book a Call