

## CASH BONUS FUND

Under the Social Amelioration Program Act of 1991, eighty percent (80%) of the lien collection shall be allocated for distribution to:

1. All mill and field employers/workers *except managerial employees*;
2. All sugar farm owners, operator or lessees who directly cultivate sugar and as beneficiaries under the Comprehensive Agrarian Reform Law (CARL); and,
3. All employees of planters' associations/cooperatives and national organizations of sugar producers; Provided, that the cash bonuses of the employees shall be derived from association/cooperative or organization dues paid either in the form of *quedan* issued or in cash.

### **Distribution of cash bonus –**

The cash bonuses shall be distributed directly to the covered workers specifically mentioned in the preceding Section at a frequency and period based on the usual practice in the mill district and upon approval by the Regional Director.

### **Formula for determining the cash bonus share of individual covered sugar worker –**

$$\frac{\text{TOTAL CBF FOR COVERED WORKERS}}{\text{TOTAL BASIC ANNUAL PAYROLL OF COVERED WORKERS}} = \text{FACTOR}$$

#### **Step 1: Determine Share of a Worker –**

$$\text{FACTOR} \times \text{Total Basic Annual Salary of the Individual Covered Worker} = \text{SHARE OF THE WORKERS}$$

#### *Explanation:*

- a. Covered workers represent all the workers during the covered crop year.
- b. Total annual payroll of covered workers represents all basic wages paid the covered workers during the crop year.
- c. Regardless of the total basic annual salary of individual covered worker, the cash bonus of the worker shall be computed on the basis of the following maximum credits:

For Mill Workers	-	P2,000 per month
For Field Workers	-	P1,000 per month

In case the worker earns less than the amount indicated above, his actual earnings shall be the basis for the computation.