

Explanation regarding the claim for Labor Pension

1、What is Labor Pension

For the workers applicable to the Labor Pension Act, the employer should appropriate on a monthly basis pension contribution of not less than 6% of the monthly salary of the workers, which shall be deposited into the workers' individual labor pension accounts (the designated account for the 6% contribution) with the BLI.

(※Those who wish to apply for the survivor benefits of labor insurance should fill out the "Labor Insurance Survivor Benefits Application Form and Payment Receipt".)

2、Qualifications for claim

- A. If a worker dies before claiming for the labor pension payments, his/her survivors or designated claimants shall claim for the lump-sum pension payments.
 - B. If a worker, who has already been receiving the monthly pension payment, died before attaining the average life expectancy or the number of payment years specified by the applicant, the balance in his/her individual labor pension account shall be returned to his/her survivors or the designated beneficiary (beneficiaries) specified in the will.
 - C. The priority order of the survivors
 - (1) Spouse and children. (2) Parents. (3) Grandparents. (4) Grandchildren. (5) Siblings. In the event of death, waiver of inheritance, or disqualification of heirs due to legal reasons, the pension shall be claimed by other survivors. However, if a living will is made by the worker to designate a claimant for the pension, such a will shall be complied with.
- ※The "Parents" and "Children" referred to in the preceding paragraph mean natural parents, adoptive parents, legitimate children (including those deemed to be legitimate according to the Civil Code), as well as the children lawfully adopted and properly registered in the household registration. Grandparents mean both paternal and maternal grandparents.
- ※If more than one survivors have the same claiming order, they shall jointly draw the pension payments. If there are any other survivors not named in this application form, the applicants receiving the payment shall be responsible for allocating the amount accordingly.
- ※If a living will has been made by the worker to designate a person (persons) other than the survivors to claim for the pension payments and this involves the issue of compulsory portion prescribed in Article 1223 of the Civil Code, the claimants, if more than one, shall claim for the benefit jointly.

3、Documents Required

- A. Labor Pension Survivor or Designated Claimant Application Form and Receipt
 - B. A copy of the household registration carrying the date of death of the worker, death certificate, prosecutors autopsy report, dead-by-law declaration or certificate documents of similar nature. (The household registration shall include non-current members who previously resided therein, as well as detailed household history)
 - C. Copy of the household registration or equivalent certificate documents proving the relationship between the claimant of the worker, if they are not registered under the same household. (If the survivor is an adopted child, the document shall include the date of adoption and the date of registration) (The household registration shall contain detailed history of the household).
 - D. The designated claimant shall attach a copy of his/her personal identity document and the will. (It is necessary to mark on the copy "The copy is identical to the original document", with chop or signature).
- ※If the insured is a minor, his/her legal representative (guardian) shall endorse accordingly. A copy of the household registration of the legal representative (guardian) shall be attached.

4、Calculation Standards and Payment Methods

- A. If a worker dies before claiming for the pension, his/her survivor or designated claimant may claim for a lump-sum payments of the principal and the dividend accrued in his/her individual pension account. The payment shall be calculated based on the contribution amount already credited to the individual labor pension account. Any subsequent pension contributions shall be disbursed to the applicant without interest.
 - B. If there is any unallocated dividend (i.e., the total accrued dividend excluding the dividend already allocated to the individual pension account), the unallocated part shall be calculated based on the return rate for the most recent month announced by the Bureau of Labor Funds during the month the application was filed. The pension shall be calculated up to the month when the application was filed.
 - C. The return rate generated from the utilization of employees' pension contribution prescribed in Article 23, Paragraph 2 of the Labor Pension Act shall not be less than the interest rate of a two-year fixed term deposit by local banks. The accumulated returns from the beginning date of contribution to the date of applying for pension payments according to law shall not be lower than the accumulated interest calculated at the annual average rate of the local bank's two-year fixed term deposit rate in the same period. The two-year fixed-term deposit rate of local banks mentioned in the preceding paragraph refers to the calculated annual average rate derived from the fixed interest rates on two-year fixed-term deposit for small deposits posted on the first business day of each month by the six major banks: the Bank of Taiwan Co., Ltd., First Commercial Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Bank Co., Ltd., Land Bank of Taiwan Co., Ltd., and Chang Hwa Commercial Bank Co., Ltd.
- The Bureau of Labor Funds shall announce the average annual interest rate of the preceding paragraph on a monthly basis as the minimum guaranteed rate of return for the month.
- D. If there are more than one claimants, the payments amount shall be distributed equally thereto. If the ratio of distribution is indicated in the will, the applicants shall divide the pension on their own upon receipt.
 - E. When the application procedures have been duly completed and the pension payments is approved, the payments shall be made within 30 days after receiving the application. The payments shall be remitted to the account with a financial institution designated by the claimant.
 - F. The BLI shall send a separate written notice to the applicant when the pension payment has been approved and effected.

5、Extinguishment of the right of claim

The right to claim for the pension payments shall be extinguished if such right is not exercised within ten years from the date of death of the worker. For those, surviving family members or designated claimants, who are minors, the right to request a pension shall not be forfeit until they become eligible from the date of reaching adulthood. (Note: the regulation was amended and enforced on March 27, 2026)

6、Others

- A. If the applicant wishes the payment to be remitted to his/her account with an overseas financial institution, please provide in English the account information for verification. (including the name of the bank and branch, address of the bank, account name, account number and SWIFT code) According to relevant regulations, the remittance fee shall be paid by the recipient. The fee shall be deducted from the labor pension payable.
- B. In the event that the BLI has, after investigation, confirmed that the recipient of the pension payment is not eligible for the benefit, the recipient should return the pension payment within thirty days after receiving the notice to do so. If the pension payment is not returned on time, a deferred interest shall be charged as required by law.
- C. In accordance with the letter explanation issued by the Ministry of Finance dated September 30, 2005 under reference Tai-Tsai-Shui-Zi No. 09404571910, etc., the pension funds deposited with the individual pension accounts of the workers are by nature the money contributed by the worker and his/her employer(s) over the years and the dividend accrued. The funds therefore are owned by each individual worker. When a worker dies, the pension income, therefore, shall be incorporated into the gross estate and subject to estate tax in accordance with Article 1 of the Estate and Gift Tax Act.
- D. Address for mailing or delivery in person: Bureau of Labor Insurance, Ministry of Labor, No. 4, Section 1, Roosevelt Road, Zhongzheng District, Taipei City 100232
- E. Workers who do not have a household registration in the Republic of China should provide additional identity documents (for example, a copy of valid alien resident certificate, passport, Taiwan Travel Permit for Mainland Residents, or the exit/entry permit for the Republic of China).