
Final Settlement System (FSS) Notice

<p align="center">SUBMISSION OF ANNUAL RECONCILIATION DATA FOR 2005</p>
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<p align="center">IR Services On-Line</p>
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You are kindly reminded that the end of year reconciliation data (FS7 & FS3's), should reach the FSS Section by not later than 15 February 2006.

Employers, who have enrolled to use the online services, are encouraged to access the service regularly to ensure that there are no access problems prior to the actual submission. Online users, are being reminded to renew the digital certificate every year. This should only be done after a notification has been issued by the Department through an e-Mail.

Last year the Inland Revenue introduced a spreadsheet to improve the submission process for employers. Through this spreadsheet an employer can validate his data and correct any errors on his desktop. This spreadsheet and related further information may be downloaded from:
<http://www.ird.gov.mt/services/fss/fssonline.asp>

The online service will be available as from 9 January 2006 to employers for both testing and filing of FSS end of year information.

In case of difficulties to access the online services (*login, passwords, digital certificates etc.*), one can send an e-Mail, specifying the problems and any related error messages, to ird.services@gov.mt

Data Validation

It is important to include all FS3s of each PE number in a single submission, as every submission overwrites the previous information for the PE number and year. Employers who have two sets of information for the same PE Number should merge the files using the spreadsheet indicated above.

It is very important that personal and accounting data be filled correctly. All required fields must be completed. Particular attention has to be provided to the Social Security Contribution (SSC) information where the basic wage and the number of weeks worked together with the contribution paid by both the employer and employee must be completed. The contribution paid must relate to the category of the applicable contribution that is derived from the basic wage and age of the employee. More information on the calculation of Social Security Contributions and an on-line calculator are available at the Inland Revenue website at www.ird.gov.mt.

Some important validations to remember:

- **Personal Data** is being validated directly with the Taxpayer Registration Systems. This means that the Identity Card Numbers and Income Tax Registration Numbers provided must exist and the surname information matches with that of the Inland Revenue System and not only conform to the defined numeric structure. Furthermore records of single taxpayers must have an empty Spouse I.D. Field. Employers who need support on errors regarding taxpayer registration are to send an e-mail to rhoda.attard@gov.mt or paul.briffa@gov.mt

- **Basic Wage** must be reported up to the first two decimal figures, for example: basic wage of 115.279 should be reported as 115.27. This figure will be the basis for the workings of SSC. (e.g. : $115.27 \times 10\% = 11.53 \times$ number of employment weeks)
- **Gross Emolument and Tax Deduction values** should be reported as whole numbers without any decimal figures for example: 12 and not 12.00.
- **Pensioners** – Pensioners over 65 years of age should not pay SSC no matter what their earnings are. Such earnings will only be subject to FSS tax.

All information submitted shall be verified according to the electronic lodgement specifications as stipulated by the Department. While an acknowledgement will be issued to employers who file correct data, incorrect or incomplete information will generate an online report that can be viewed by the employer. Unless data will be resubmitted correctly in the stipulated time, the employer will be considered as a defaulter and penalties as stipulated by the FSS Rules shall be applied. Employers who need support in resolving submission errors are to send an e-Mail to noel.a.agius@gov.mt or stefania.ciantar@gov.mt quoting the related error messages.

It is important to note that any FS3's modified by the employers must be accompanied by a covering letter explaining the change from the original submitted documents. Employers are being informed that such changes may lead to a more in-depth verification of the systems used.

NEW VALIDATIONS

- Whenever a female employee notifies the employer in changes of her civil status (e.g. : marriage, separation etc.....), two FS3's must be compiled for the same year, with the data split accordingly. The FS3 of a married female (prior to separation, prior to husband's death or after marriage), should have her **spouse's ID reported in the allocated field**.

Example: case where a marriage occurred in September, an FS3 should be compiled covering period from January to September as a **single person (with spouse ID left blank)**, and another FS3 covering October to December as a **married person (with spouse ID quoted in the appropriate field)** .

- The Department will not accept duplicate FS3's pertaining to the same individual under a particular PE number for the same year (except cases explained above). *That is* one line for each *employee* in ' F3 ' file. However, whenever a basic weekly wage/category changes in the 'SS' file, these must all be reported in *separate lines*.
- Unmarried individuals cannot have SSC reported that is higher than the gross main emoluments.

Whenever part time emoluments exceed the Lm3,000 *threshold*, the surplus amount should be reported in the same FS3 as main emoluments . The relative 15% withholding tax must be split just the same (maximum of Lm450 part time tax).

A list of on-line validations and Electronic Lodgement Specifications can be found on the Department's website at www.ird.gov.mt.

Payments due

Every FSS Tax and Social Security Contribution payment effected by an employer should be supported by the prescribed FS5 form. An FS5 is also to be submitted where the payment is a discrepancy resulting from the yearly reconciliation data. **Cheques supported by FS5 forms should be sent to the Cash Office Block 5, whilst all FS7 and FS3 documentation should be sent directly to the FSS Section Block 3.**

Income deriving from part time employment

As from 1 January 2005, there was a major change in the part time rules (Legal Notice 110/2005). This change will affect those married persons, where one of the spouses has full time employment income, and the other is employed on a part time basis. In order for part time employees to benefit from the new rules, the 15% withholding tax should be deducted from the total yearly emoluments. These payments should

reach the Department through the employer by the end of January 2006 (attached to the December 2005 monthly remittance). If the employer fails to effect the payment, the employee can still benefit from the scheme by paying personally with the prescribed form TA23 by not later than 15 February 2006.

Deregistration of PE number

Whenever an employer has ceased to employ individuals, the appropriate Deactivation Form should be completed. If employments were terminated within a particular year, the end of year data for that year should still be submitted. Failing to submit the deactivation form will hold employers liable to continue submitting FSS documentation.



Commissioner of Inland Revenue
December 2005

Avviż dwar il-Final Settlement System (FSS)

IS-SOTTOMISSJONI TAR-RIKONĊILJAZZJONI ANNWALI GHALL-2005

Servizzi "Online"

Id-Dipartiment tat-Taxxi Interni jfakkrek li l-informazzjoni tar-Rikonċiljazzjoni Annwali (FS7 u FS3), trid tasal fis-Sezzjoni FSS sa mhux aktar tard mill-15 ta' Frar 2006.

Kull min juża s-servizz *online* tad-Dipartiment, huwa mfakkar sabiex iġedded iċ-ċertifikat diġitali kull sena. Dan għandu jsir biss wara li jkun intbagħat avviż permezz ta' *e-Mail* mid-Dipartiment. Tajjeb li kull min għandu aċċess għas-servizz, minn żmien għal żmien, jipprova jidhol bil-*password* tiegħu sabiex jiġu evitati problemi ta' aċċess fl-aħhar perijodu tas-sottomissjoni.

Mis-sena l-oħra d-Dipartiment introduċa *spreadsheet* fil-*website* tiegħu, li ntlagħhet tajjeb hafna, fejn kull min iħaddem jista' jirranġa xi żbalji u jissottometti l-informazzjoni minnha stess. Dan sar sabiex jiffaċilita l-proċess ta' sottomissjoni lil min iħaddem. Din l-*spreadsheet* wiehed jista' jsibha fuq: <http://www.ird.gov.mt/services/fss/fssonline.asp>

Kull min għandu s-Servizz jista' jibda jittestja u jissottometti l-informazzjoni elettronika mid- 9 ta' Jannar 2006 'l quddiem.

F'każ ta' problemi ta' aċċess (*login*, *passwords*, ċertifikati diġitali eċċ..) wiehed jista' jibgħat *e-Mail* lill-ird.services@gov.mt għal aktar għajjuna.

Verifika ta' l-informazzjoni

Huwa importanti hafna li meta tiġi sottomessa informazzjoni elettronika, din trid tghaddi kollha shiha f'daqqa. Jiġifieri sett wiehed komplut ta' informazzjoni għandu jintbagħat għal kull numru ta' PE.

Huwa importanti hafna wkoll li l-informazzjoni personali u dik numerika tkun mimlija sewwa. Trid tingħata attenzjoni partikulari għall-informazzjoni dwar il-Kontribuzzjonijiet tas-Sigurta' Soċjali fejn il-paga bażika u n-numru ta' ġingħat maħduma flimkien mal-kontribuzzjoni mhallsa kemm mill-impjegat kif ukoll minn min iħaddem trid tkun kompluta. Il-kontribuzzjoni mhallsa trid tkun relatata mal-kategorija tal-kontribuzzjoni applikabbli maħduma fuq il-paga bażika u l-eta' ta' l-impjegat. Aktar informazzjoni dwar kif jinħadmu l-kontribuzzjonijiet tas-Sigurta' Soċjali, flimkien ma' kalkolatur li jahdem dawn ir-rati jinsabu fuq il-*website* tad-Dipartiment www.ird.gov.mt.

Tajjeb li wiehed jiftakar xi verifiki importanti:

- 1 **l-informazzjoni personali** ser tkun iċċekkjata direttament mas-sistema ta' registrazzjoni tad-Dipartiment. Dan ifisser li n-numri ta' l-identita' u n-numri tar-registrazzjoni tat-taxxa li jingħataw iridu jkunu jeżistu u l-informazzjoni dwar il-kunjom tkun taqbel ma' dik tad-Dipartiment u mhux biss ma' l-istruttura tan-numri.
F'każ ta' problemi ji jirriżultaw minn numri ta' identita' żbaljati wiehed jista' jikteb *e-Mail* lil rhoda.attard@gov.mt jew paul.briffa@gov.mt

- q **Il-Paga Bażika** trid tkun irrappurtata sa l-ewwel żewġ figuri deċimali, per eżempju: paga bażika ta' 115.279 trid tkun irrappurtata 115.27. Din il-figura trid tkun il-bażi ta' kif tinhadem il-kontribuzzjoni tas-Sigurta' Soċjali. (eżempju : 115.27 x 10%=11.53 x numru ta' ġimgħat)
- q **Emolumeti gross u valur tat-taxxa mnaqqsa** jridu jkunu irrappurtati bhala numri shaħ mingħajr figuri deċimali, per eżempju: 12 u mhux 12.00
- q **Pensjonanti ta' aktar minn 65 sena** m'għandhomx ihallsu kontribuzzjoni jaqilghu kemm jaqilghu. Dan il-qligh ikun suġġett biss għat-taxxa.

Kull informazzjoni mibgħuta ser tiġi verifikata, u informazzjoni żbaljata jew mhix kompluta tirrendi s-sottomissjoni invalida. Din l-informazzjoni tiġġenera rapport ta' l-iżbalji li jridu jiġu ikkoreġuti u tiġi meqjusa li ma ntbagħtitx, sakemm din tidhol lura kompluta u korretta. Kull informazzjoni li tasal wara d-data ta' l-għeluq, hija suġġetta għall-multi kif stipulat fil-liġi.

F'każ ta problemi ġenerali ta' sottomissjoni wiehed jista' jibgħat *e-Mail* lil noel.a.agius@gov.mt jew stefania.ciantar@gov.mt

Tajjeb li wiehed jinnota li kull bdil li jsir fl-informazzjoni fuq il-formoli FS3, irid jiġi spjegat permezz ta' ittra annessa ma-dokumenti ġodda. Min ihaddem qed ikun infurmat li dawn it-tibdiliet jistgħu jwasslu għal verifika aktar fil-fond tas-sistemi miżmuma minnu.

VERIFIKI ĠODDA

- q *F'każ li xi impjegata (feminili) tkun avżat li matul is-sena kellha xi bdil fl-istat ċivili tagħha (eż: żwieġ, separazzjoni, eċċ...), iridu jsiru żewġ FS3's, bil-figuri maqsuma skond il-każ. Id-Dipartiment jesigi li fl-FS3 ta' mara miżżewwġa (jiġifieri wara li iżżewġet, qabel ma isseparat jew qabel ma romlot), irid jitniżżel in-numru ta' l-identita' tal-konjugi fil-post allokat.*
Eżempju: każ ta' żwieġ f'Settembru, trid issir FS3 minn Jannar sa Settembru bhala persuna **wehidha (mingħajr ID tar-raġel)**, u FS3 minn Ottubru sa Diċembru bhala persuna **miżżewwġa (bl-ID tar-raġel fil-post allokat)** .

- q *Mhux ser jiġu aċċettati aktar minn FS3 wahda ta' persuna partikolari ma' numru ta' PE wiehed fl-istess sena (hlief fil-każ imsemmi fil-paragrafu ta' hawn fuq). Dan jghodd ukoll għal min jibgħat l-informazzjoni b'mod elettroniku. Jiġifieri linja wahda għal kull individwu fil-"file F3" . Xorta ser tibqa tintalab aktar minn linja wahda fil-"file SS" f'każ li l-paga bażika/kategorija inbidlu matul is-sena.*

- q *Persuna li mhix miżżewwġa ma jistax ikollha dikjarat ammont ta' Sigurtaċ Soċjali aktar minn emolumenti prinċipali.*

- q *F'każ li dhul minn impjieg part time jaqbeż Lm3000 f'sena, il-kumplament ta' emolumenti jridu jiġu dikjarati bhala dhul prinċipali fl-istess formola FS3. It-taxxa bi 15% trid tinqasam ukoll bl-istess mod (jiġifieri massimu ta' Lm450 taxxa part time).*

Lista tal-verifiki kollha tinsab fuq il-website tad-Dipartiment.

Hlas ta' Pagamenti

Kull pagament li għandu jsir minn min ihaddem, għandu jagħmlu permezz tal-formola preskritta FS5. Dan jghodd ukoll għal xi diskrepanza li tirriżulta fl-aħhar tas-sena. **Il-Formoli ta' Rikonċiljazzjoni (FS7 u FS3) m'għandhomx jintbagħtu lill-Cash Office blokk 5 flimkien mal-pagamenti, iżda direttament lis-Sezzjoni FSS blokk 3.**


Taxxa fuq xogħol Part-time

B'seħħ mill-1 ta' Jannar 2005, permezz ta' l-Avviż Legali 110/2005, inbidlu xi regoli dwar taxxa fuq dhul minn xogħol *part-time*. Din il-bidla ser taffetwa lil dawk il-koppji miżżewwġa fejn persuna minnhom għandha mpjieg prinċipali, u l-parti l-oħra mpjieg *part-time*. Sabiex l-impjegati jibbenefikaw minn din l-iskema trid tkun thallset il-15% taxxa fuq l-emolumenti. Dawn il-pagamenti jridu jithallsu minn min ihaddem sa l-aħhar ta'

Jannar 2006 (ma' l-FS5 ta' Diċembru 2005). Jekk it-taxxa fuq il-*par-t time* ma tkunx thallset minn min iħaddem, l-impjegat xorta jista' jibbenefika billi jhallas personalment fuq il-formola preskritta TA23 (li tingabar u timtela mill-impjegat) sa mhux aktar tard mill-15 ta' Frar 2006.

Diregistrazzjoni tan-numru tal-PE

Huwa importanti li d-Dipartiment ikun avżat meta persuna ma tibqax thaddem sabiex in-numru tal-PE li mhux qed jintuża jiġi innutat. Jekk dan isir matul sena partikolari, xorta jibqa' l-obbligu li jintbagħtu d-dokumenti dovuti sad-data ta' l-gheluq. Din in-notifika hi importanti għaliex b'hekk biss ma jibqgħux jintalbu dokumenti ta' l-FSS.



Kummissarju tat-Taxxi Interni
Diċembru 2005

NB An English version is available on the Inland Revenue website.