

AWARD IN PAYROLL FUNDAMENTALS

Lecture 06: FSS & NI (Part 1)

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Engagement Checklist

Personal Details

- Name & Surname
- ID Card
- Address
- Date of Birth (verified)
- Tax No (for foreign nationals)
- Social Security No (for foreign nationals)
- Marital Status +Spouse ID if married
- Date of Birth of any children under the age of 8
- Jobs Plus Employment Form Signed



Engagement Checklist

Employment Details

- Date of Engagement
- Contract (or Employment Terms)
- Salary
- Benefits & Allowances
- FS3 from Previous Employment
- FS4 Filled & Signed by Employee
- Any Visa and/or Permit Expiry
- Notice Period Adjustments (if any)



FS4

- Complete and submit FS4 *PDF to fss.cfr@gov.mt*
- Used in case of:
 - new employee
 - change in tax status
 - marriage (include the spouse details)

The image shows a screenshot of the FS4 form, which is a multi-section document used for payroll processing. The form is divided into several sections, each with a header and a grid of rows for data entry. The sections are labeled with numbers 1 through 8. The form is titled 'FS4' at the top. The background of the form is light blue and white. The form is displayed on a screen, with a small cursor visible at the top right.



FS4

Section 1, Part A
To be filled in by
Employee

Section 1, Parts B,
C, D or E
Employee Tax
selection
FT – PT – Other
Emol - Overtime

The image shows a scan of an FS4 form, which is a standard document used for payroll processing. The form is divided into two main sections, labeled 1 and 2. Section 1, on the left, is titled '1' and contains a grid for employee information, including fields for name, address, and tax selections. Section 2, on the right, is titled '2' and contains a grid for employer information, including fields for name, address, and tax confirmation. The form is filled out with handwritten and printed information.

Section 2, Part A
To be filled in by
Employer

Section 2, Part B,
C, D or E
Confirmation of
Tax deduction



FS4

D MAIN SOURCE OF EMPLOYMENT INCOME

Employer name of 2024	01	
Employer address of 2024	02	
Employer city of 2024	03	
Employment start date of 2024	04	
Employment end date of 2024	05	
Employment status of 2024	06	
Other source name of reporting period (if not 2024)	07	

E PART-TIME EMPLOYMENT QUALIFIED

Part-time	01	
Seasonal/short-term	02	
Employee of the owner	03	
Employment start date		
Employment end date		
Employment status		

91. Section

Any person who is a paid professional or trade employee of an employer shall not be eligible for unemployment benefits.

Section 91.02(a) (3) provides that a person shall not be eligible for unemployment benefits if the person is an independent contractor.

92. Section

The first 52 consecutive weeks of unemployment benefits shall be payable to a person who is unemployed through the end of 2024.

The second 52 consecutive weeks of unemployment benefits shall be payable to a person who is unemployed through the end of 2024.

D OTHER EMPLOYMENT INCOME

Employer name of 2024	01	
Employer address of 2024	02	
Employer city of 2024	03	
Employment start date of 2024	04	
Employment end date of 2024	05	
Employment status of 2024	06	

E 93. TAX ON OVERTIME

Employer to be reported on your gross earnings

01

E 94. PAYEE'S DECLARATION

I am an independent contractor and am not eligible for unemployment benefits.

I am a seasonal/short-term employee and am not eligible for unemployment benefits.

I am an employee of the owner and am not eligible for unemployment benefits.

Rate

01	02	03	04	05	06	07	08	09	10
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The copy of the completed FS4 is to be retained by the employer.



FS5

Monthly payroll summary

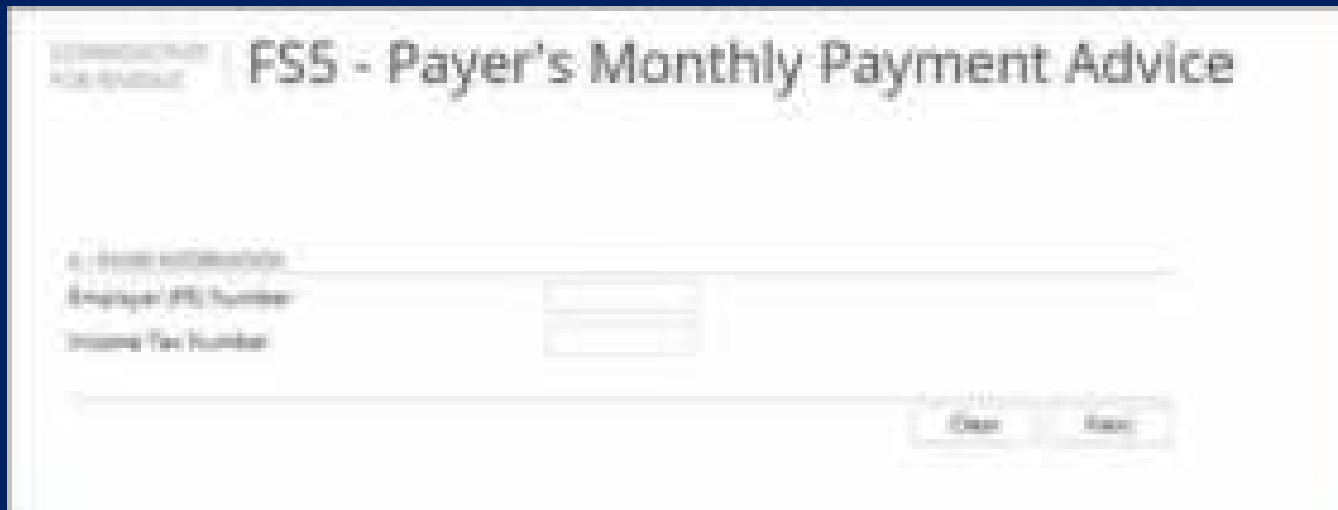
- Submitted to the CfR electronically and payments are to be processed via internet banking by the last working day of the following month
- The submission of the FS5 will generate a reference number which is to be included in the payment
- Any adjustments to the FS5 and/or payment may be settled via cheque payment at the post office, payable to the Commissioner for Revenue
- Can also be sent by post with a cheque to CfR

The image shows a screenshot of the FSS (Final Settlement System) form. The form is titled 'FSS FINAL SETTLEMENT SYSTEM FORM' and is used for submitting monthly payroll data. It contains several sections for data entry, including a grid for employee details, a section for payment information, and a section for the employer's details. The form is presented as a document on a screen, with a blue border on the right side.

Award in Payroll
Fundamentals

Electronic FS5 submission

- <https://taxation.gov.mt/irdnet/fs5iform.aspx>



The screenshot shows a web form titled "FSS - Payer's Monthly Payment Advice". The form includes a header with the title and a logo. Below the header, there are several input fields: a large text area for "Employer's Name", a text field for "Employer's ID Number", and a text field for "Employer's Tax Number". At the bottom right of the form, there are two buttons labeled "Clear" and "Save".



FS3

Employee's Annual Reconciliation Statement

- Issued at the end of each calendar year
- For ALL employees who worked during that year
- On termination of employment
- Signed copy must be provided to the employee
- Required by the employee for correct tax deduction from new employment during a calendar year

The image shows a sample of the FS3 Employee's Annual Reconciliation Statement form. The form is titled "FS3 Employee's Annual Reconciliation Statement" and is divided into several sections. The top section contains fields for the employee's name, address, and contact information. Below this, there are sections for "Employment Details" and "Tax Information". The main body of the form consists of a large grid with columns for "Earnings", "Deductions", and "Net Pay". The grid is divided into sections for "Basic Salary", "Other Earnings", "Basic Deductions", and "Other Deductions". The bottom section of the form contains fields for the employee's signature, date, and the employer's name and address.

FS3

Must show:

- Employer and employee details
- Gross emoluments from full-time / part- time qualifying employment
- Total taxable fringe benefits, directorship fees and share options
- Total tax deducted from all employment income, directorship fees and share options
- Any additional tax deducted in cases of outstanding employee tax liability
- Social security and maternity fund contributions paid throughout the year, both by the employee and employer
- Basic Weekly Salary, No. of NI Contributions and Class of NI

The image shows a screenshot of the FS3 form, which is a detailed payroll statement. The form is divided into several sections, each with a heading and a corresponding table or grid for data entry. The sections include:

- Section 1:** Employer and employee details, including name, address, and contact information.
- Section 2:** Employment details, including start and end dates, and a table for recording weekly earnings and tax deductions.
- Section 3:** Tax and social security details, including a table for recording tax deducted and social security contributions.
- Section 4:** Fringe benefits and other taxable items, including a table for recording these items.
- Section 5:** Summary of total taxable income and tax deducted.

The form is presented in a clear, structured layout with a grid for data entry and a header section for identifying information.

Award in Payroll
Fundamentals

FS7

Employer's Annual Reconciliation Statement

- Issued on an annual basis
- Ideally submitted online via CfR portal using the E-filing sheet (Excel)
- Must be submitted online if ten (10) or more FS3s have been issued

The image shows a screenshot of the FS7 form, titled "Employer's Annual Reconciliation Statement". The form is divided into several sections, including "Employer Information", "Employee Information", and "Reconciliation Data". The "Reconciliation Data" section contains a large table with multiple columns and rows, likely used for entering employee data and reconciliation figures. The form is presented in a grid-like layout with various input fields and checkboxes.

Award in Payroll
Fundamentals

FS7

- Employer details
- Number of FS3s issued in respect to the reporting year
- The total amount of gross emoluments paid to payees in respect to full time and other emoluments arising from any other source
- The total gross emoluments paid to part-timers for such qualifying employment
- Total taxable fringe benefits, directorship fees and share options exercised
- Total tax deducted from employment income, directorship fees and share options
- Any additional tax deducted in cases of outstanding employee tax liability
- SSC (employee and employer share)
- Maternity fund contribution paid by the employer

The image shows a screenshot of the HMRC Form FS7, titled 'Employment Statement (Employer's Copy)'. The form is divided into several sections, each with a heading and a corresponding table or set of fields. The sections include: 1. Employer details, 2. Summary of employment, 3. Summary of emoluments, 4. Summary of tax deducted, and 5. Summary of other deductions. The form is designed for employers to report employment details and tax information to HMRC.

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Fundamentals

FSS Online Validation & Submissions

The screenshot shows the 'Income Tax Services' page on the FSS website. The page has a header with the FSS logo and the title 'Income Tax Services'. Below the header, there is a navigation menu on the left with options like 'Home', 'About Us', 'Contact Us', 'Change Client', 'Change Role', and 'My Profile'. The main content area is titled 'Please choose an option from the list' and contains several service options:

- Submit FSS Files:** This function is used to file end of year FSS files. The FSS files should meet the specifications issued by the Commissioner of Revenue.
- FSS Submission Results:** This function enables you to view the submission history and results; any submission errors are also listed here.
- View FSS Payments:** This function allows viewing of FSS payments for a specific year.
- FSS Interactive Form:** Fill in the owner's monthly payment liability (MSL) and effect payment online.
- Change Client:** allows you to service a different client.
- Change Role:** allows you to change your working profile.

- <https://cfr.gov.mt/en/Pages/Home.aspx>
- Log in with E-ID
- 2-factor authentication

Employment – Maltese National

- ID Card – Tax No. and Social Security No.
- Jobsplus – Engagement Form
- Contract – Details
- FS3 from Previous Employer
- FS4 – to establish tax rate
 - Single
 - Parental
 - Married
- Any tax arrears to be paid ?



Employment – EU National / Expat

- Residency Card
- Apply for Social Security No.
- Tax No. – may be different from Residency No.
- Jobsplus – Engagement Form (copy of ID or Passport)
- Contract – Details
- FS4 – to establish tax rate
 - Single
 - Parental
 - Married
- Any tax arrears to be paid ?
- FS3 from Previous Employer



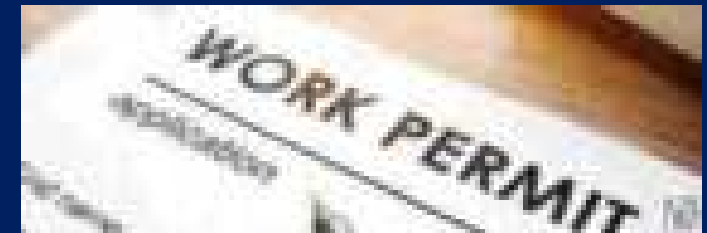
Employment – Third Country Nationals

- Identity - Employment Licence
- Single Work Permit issued for:
 - New Employment
 - Change in Employer
 - Change in Designation
 - Termination
- Social Security No.
- Tax No.
- Jobsplus – Engagement Form
- Contract – Details
- FS4 – to establish tax rate



Single Work Permit – Change of employer

- Application
- Valid Residency Card + Passport
- Original employment contract signed and dated (with a clause saying that it will take effect if permit is granted)
- Position Description (template)
- Proof of advertising (past 6 months – Facebook etc.)
- Declaration of Sustainability (Jobsplus)
- Rental agreement
- Approval letter from Housing Authority (that the property is registered)



Single Work Permit – New Application (In Malta or Still Abroad)

- All documents as per Change of Employer
- Full refund Insurance Policy
- Health Screening

- Copy of an official Identita` invitation letter
- Copy of Visa



Employment – Asylum Seekers

- Refugee Status
- Person can only work in the country in which they were granted status
- Jobsplus issues an Employment Licence
- Social Security No.
- Tax No.
- Contract – Details
- FS4 – to establish tax rate



Applying for a Social Security Number

- A valid and active eID
- https://www.servizz.gov.mt/en/Pages/Inclusion_-Equality-and-Social-Welfare/Social-Solidarity/Benefits-and-Services/WEB632/default.aspx



Award in Payroll Fundamentals

Timeline



Submission of Application

1 Week **2 Weeks**

Department of Social Security **www.servizz.gov.mt**

10, Charles Street
Valletta, VLT 1000
Malta



Freephone 153 **servizz@gov.mt** **Calling from abroad?**
+356 21255153



Social Security No.

This is a screenshot of the SSA-5 form, 'Application for a Social Security Number'. The form is titled 'Application for a Social Security Number' and includes a subtitle 'Form SS-5 (03-2019)'. It contains several sections for data entry, including 'Applicant's Name', 'Date of Birth', 'Place of Birth', 'Current Address', and 'Mailing Address'. There are also fields for 'Citizenship or Nationality' and 'Date of Arrival in the United States'. The form is designed for individuals applying for a Social Security Number.

This is a screenshot of the 'Additional Information' section of the SSA-5 form. It contains several questions that must be answered by the applicant, such as 'Have you ever been in the United States on a temporary basis?', 'Are you currently in the United States on a temporary basis?', 'Are you a member of a religious organization?', 'Are you a member of a labor organization?', and 'Are you a member of a fraternal organization?'. Below these questions, there are two large buttons: 'Click to apply' and 'Click to print'. The form is designed to collect additional information about the applicant's background and current status.

Immortality of EU and Third Country Nationals who need to work in Malta

Country	Category	Required Attachments
All EU member states (including UK), Citizens of Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Lithuania, Luxembourg, Malta, Netherlands, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and Switzerland Covers also Malta's offshore (S.L. Land)	Employed (Self-occupied)	<ol style="list-style-type: none"> 1. An official identification (with photo) 2. Copy of the employer's engagement form or 'Form of Employment' letter or a similar document which shows that you will be working on an employed/self-occupied activity in Malta
Citizens from EU Countries	Self-occupied	<ol style="list-style-type: none"> 1. Attach a signed copy of the Declaration by a Employer
Citizens from Non-EU Countries	Employed	<ol style="list-style-type: none"> 1. An official identification (with photo) 2. Copy of the employer's engagement form or 'Form of Employment' letter or a similar document which shows that you will be working on an employed/self-occupied activity in Malta 3. Copy of Employment contract/Work Permit
Citizens from Non-EU countries, a family member of a Maltese/EU National	Employed/Self-occupied	<ol style="list-style-type: none"> 1. An official identification (with photo) 2. Residence Card or Copy of recent Request of Application from identity Malta, showing proof that person can work or reside freely in Malta. (Freedom of Movement) 3. Copy of employer's engagement form or 'Form of Employment' letter (in case of employed) 4. Attach a signed copy of the Declaration by a Employer (in case of self-occupied)
Citizens from Non-EU Countries	Self-occupied	<ol style="list-style-type: none"> 1. An official identification (with photo) 2. Copy of Employment contract/Work Permit
Citizens from Non-EU Countries who hold a permit to work in Malta under one of the EU Directives *	Employed/Self-occupied	<ol style="list-style-type: none"> 1. An official identification (with photo) 2. Copy of employer's engagement form or 'Form of Employment' letter (in case of employed) 3. Copy of relevant permit or Residence Card issued by identity Malta



Applying for a Tax Number

- A valid and active eID
- <https://cfr.gov.mt/en/eServices/Pages/Expatriates-taxpayer-registration.aspx>

The screenshot shows a web browser window displaying the 'Expatriates taxpayer registration' page on the cfr.gov.mt website. The page features a navigation menu at the top and a sidebar on the left. The main content area is titled 'Expatriates taxpayer registration' and includes a sub-heading 'DETAILS OF TAXPAYER'. Below this heading, there are several input fields for personal information, including 'First Name', 'Last Name', 'Date of Birth', 'Sex', 'Nationality', 'Country of Origin', 'Date of Issuance', 'Date of Expiry', 'Date of Registration', and 'Date of Renewal'. Each field is accompanied by a small icon and a dropdown menu. The form is designed for online registration and data entry.

Award in Payroll Fundamentals

Name: _____
SSN: _____
Address (not mailing if different): _____
City/State/Zip: _____
Mailing Address (if different): _____
City/State/Zip: _____

State details: No. or name of applicant as on file with the Bureau of Information & Employment or the Department of Revenue (see Form 1042)

Employer: Self-employed
 Other

TAX DETAILS

Date of arrival in state: _____
Date of departure: _____

State of residence: (If the Bureau determines a resident of another state, the Bureau will determine the state of residence for purposes of taxation.)

Reason of migration: Employment or self-employment
 Marriage to citizen
 Military Service Program
 Family - Parent
 Retiree (Foreign)
 Self-Employed
 Business opportunity for 1042 purposes
 Other

SPOUSE DETAILS

Name: _____
SSN: _____

Mobile Number: _____
Date of Birth: _____
Date of Marriage: _____
Mailing Address: _____
City/State/Zip: _____
Mailing Address (if different): _____
City/State/Zip: _____

Marriage

Have you ever been in the Marriage (MARR) Program?
 Yes
 No

Have you ever been in the Marriage (MARR) Program?
If so, for how long? (If married and still present as being in state)

OTHER CONTACT DETAILS

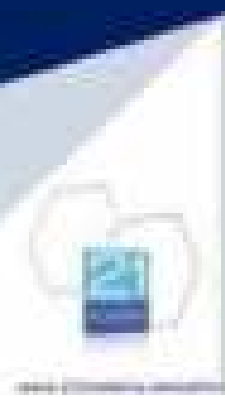
(Indicate if other contact information is provided by the filer)

Name: _____
Address: _____
City/State/Zip: _____

Name: _____
Address: _____
City/State/Zip: _____

Name: _____
Address: _____
City/State/Zip: _____

Name: _____
Address: _____
City/State/Zip: _____



Declaration

- To be uploaded with the Application for a Tax Number
- In case of other spouse staying in Malta
- Both to sign

The image shows a document titled "DECLARATION OF RESIDENCE STATUS" and "DECLARAZIONE SULLA SITUAZIONE RESIDENZIALE". The document is a form with several sections, including a table for personal data and a section for declaration. The form is partially filled out with text and numbers. At the bottom, there are two checkboxes and a signature line.



Employment Form

- Non-Resident

To submit via email
taxpayerregister.cfr@gov.mt

The image shows a scan of a Montana Employment Form. At the top, it features the Montana State Seal and the text 'OFFICE OF REVENUE & TAXATION' and 'DEPARTMENT OF REVENUE & TAXATION'. The form is titled 'EMPLOYMENT FORM' and is specifically for a 'Non-Resident Employee'. It contains several sections with input fields:

- Employee Information:** Fields for Name, Address, City, State, and Zip.
- Employment Information:** Fields for Employer Name, Address, City, State, Zip, and dates of employment.
- Tax Information:** Fields for Social Security Number, Montana State ID Number, and checkboxes for 'Resident of Montana' and 'Non-Resident of Montana'.
- Signature:** A line for the employee's signature and a line for the employer's signature.

Employer Data

- Entity Name
- Address
- Company number (C-12345)
- Industry Sector – WRO
- VAT number (MT12345678)
- PE number (123456)
- Tax number (991234567)
- Owner / Director Name and Position

Jobsplus Schemes



What is National Insurance?

- The Social Security Act was enacted in 1987.
- Act X of 1987, updated regularly.
- Any contract of service or apprenticeship, written or oral, whether expressed or implied, by or under the Government of Malta, is **insurable employment**.
-
- The term “gainfully occupied” also refers to a person who is employed in insurable employment or is self occupied.



What is National Insurance?

- There can only be one insurable employment at the same time.
- In case of more than one concurrent employments, the insurable employment will be that which provides the highest income or earnings.
- In most cases, a 40-hour week determines the primary employment.



What is National Insurance?

- Insurable employments are classified into 3 categories:
 - Employed Persons (employed with a provider of employment or employer)
 - Self Occupied Persons
 - Self Employed Persons



Employed Persons

- Pay Social Security at the rates established in Class 1 of the Contribution Schedule.
- Employed Persons who are not excepted under Part II of the First Schedule of the Social Security Act, shall be liable to pay Class 1 Social Security Contributions with applicable contribution rates according to Part I of the Tenth Schedule of the Social Security Act.
- Employee has a sum deducted from the payslip, in most cases 10% of Gross Basic Salary, per week.
- Employer pays a similar amount.



Employed Person

All full-time or part-time employees who are employed for less than eight (8) hours in any one calendar week are not considered as being in insurable employment for Social Security Contribution purposes.



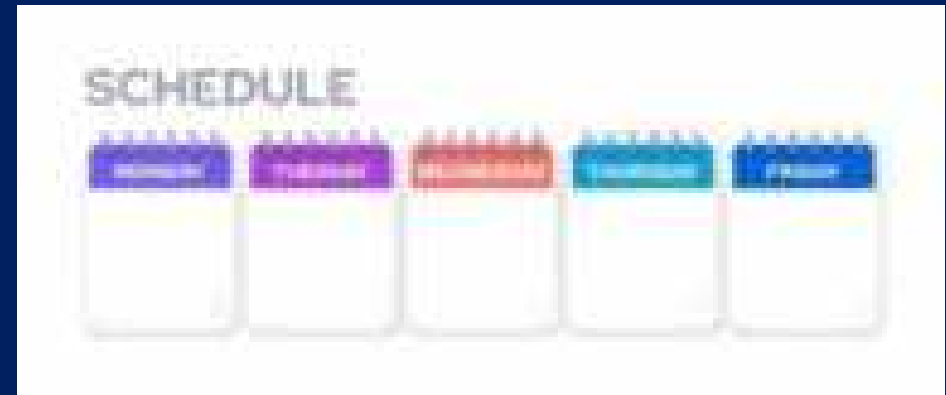
Social Security Contributions

- All persons who:
 - are over the age of sixteen (16)
 - who have not yet attained retirement age of 65 years
 - who are in insurable employmentare liable to pay Social Security Contributions.
- Social Security contributions are paid in weekly rates, and each year of gainful occupation will carry 52 or 53 social security contributions (depending on the annual number of Mondays) on the payee's contribution record.



Employed Person

- The Social Security Contribution rate due is based on earning derived from the Basic Weekly Wage.
- The basic weekly wage does not include allowances, bonuses, and/or overtime earned in a particular week.



Social Security Contributions

- Calculated on the **basic weekly wage** of the employee
- Factors that affect Social Security deduction
 - Employed elsewhere
 - Age of Employee
- Two Categories

Class 1

<https://cfr.gov.mt/en/rates/Pages/SSC1/SSC1-2024.aspx>

Class 2

<https://cfr.gov.mt/en/rates/Pages/SSC2/SSC2-2024.aspx>



National Insurance Contributions (2024)

Class 1 Employed Persons		Basic Weekly Wage to €	Weekly NI Contributions (Employee)	Weekly NI Contributions (Employer)	Weekly Maternity Leave Contribution (Employer)
Category	Age				
A	< 18 years	213.54	€6.62	€6.62	€0.20
B	18+ years	213.54	€21.35 (or 10%)	€21.35	€0.64
C	Born <1962	423.07	10%	10%	0.3%
C2	Born 1962+	532.28	10%	10%	0.3%
D	Born <1962	>423.08	€42.31	€42.31	€1.27
D2	Born 1962+	>532.29	€53.23	€53.23	€1.60
E	< 18 years		10% (max. €4.38)	10% (max. €4.38)	0.3% (max. €0.13)
F	18+ years		10% (max. €7.94)	10% (max. €7.94)	0.3% (max. €0.24)



Employed Person

- Part-time employees who work less than 40 hours per week
- and who earn less than the National Minimum (weekly) Wage
- can opt to have their share on social security contributions, paid at the rate of 10% of their basic weekly wage.
- This contribution rate is called the Pro-rata rate and does not apply to the employer's share who has to pay the full applicable weekly rate.



Employed Person

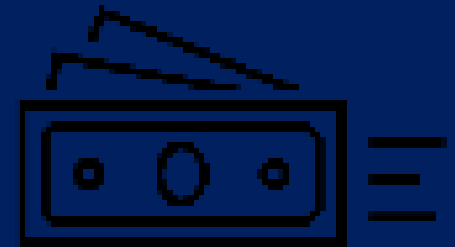
- One should also consider that when paying social security contributions by 10% pro-rata, these will not be considered as one contribution per week for records purposes, but carry a lesser, albeit proportional weight against the applicable full weekly rate.



Employed Person

Both employer and employee's share of social security contributions are paid to the Commissioner of Inland Revenue in monthly payments by the employer.

<https://cfr.gov.mt/en/rates/Pages/SSC1/SSC1-2024.aspx>



Self Employed vs Self Occupied

- Self-Employed as referred in Social Security Act is different from that we colloquially refer to.
- **Self Occupied Persons** - persons who earn income from Trade, Business, Profession, Vocation or any other economic activity that exceeds €910 per annum.
- **Self Employed Persons** - persons who receive income from rents, investments, capital gains or any other income.



Self Occupied Persons

- A self-occupied person is one who:
 - is not an employed person;
 - is excepted under Part II of the First Schedule of the Social Security Act;
 - is engaged in any activity through which earnings exceeding €910 *per annum* are being derived.



Self Occupied Persons

- Social Security Contributions by Self Occupied persons are called **Class 2** Social Security Contributions with applicable contribution rates according to Part III of the Tenth Schedule of the Social Security Act.



Self Occupied Persons

- Full-time or part-time employees who are employed for less than eight (8) hours per week but earn more than €17.50 per week (€910 per annum); are considered as **Self Occupied persons** for Social Security Contribution purposes.
- The Social Security Contribution rate due is based on income derived from the net annual income from trade or profession; earned during the previous calendar year of that of payment.



Self Occupied Persons

- Self occupied persons' social security contributions are paid to the Commissioner of Inland Revenue every four months; namely in April, August and December respectively.



National Insurance Contributions (2024)

Class 2 Self-Employed Persons		Annual Net Income from €910 (€1,000 for SP) up to	Weekly NI Contribution payable by self- employed	Full-Time Farmers
Category	Age			
SP	Income from Rents, Investments or capital gains	€10,567.92	€30.48	n/a
SA		€12,028.92	€34.70*	€23.13
S8	Born <1962	€22,000.00	15% of net weekly	10% of net weekly
S82	Born 1962+	€27,679.35	15% of net weekly	10% of net weekly
SC	Born <1962	>€22,000.01	€63.46	€42.31
SC2	Born 1962+	>€27,679.36	€79.84	€53.23

* May choose to pay 15% of Net weekly income if:

- A part-time woman
- A full-time student <24 years working part-time
- A pensioner



National Insurance - Weeks

Month	No. of Mondays	Month	No. of Mondays
Jan	5	Jul	5
Feb	4	Aug	4
Mar	4	Sep	5
Apr	5	Oct	4
May	4	Nov	4
Jun	4	Dec	5

**53 weeks
in 2024**

- Self-Employed & Self-Occupied Persons pay their dues:
 - April – 18 weeks
 - August – 17 weeks
 - December – 18 weeks



Self Employed Persons

- A self-employed person means a person who has not yet passed his 65th birthday,
- is ordinarily resident in Malta,
- And is not an employed person or a self-occupied person.



Self Employed Persons

- Social Security Contributions by Self Employed persons are also called **Class 2** Social Security Contributions with applicable contribution rates according to Part II of the Tenth Schedule of the Social Security Act.
- The difference in weight between Class 2 Self Occupied contributions and Self Employed contributions, is that Self Employed contributions are valid only for **Pension** purposes, while Self Occupied contributions are valid for both **Pension and Short-Term Benefit** eligibility purposes.



Self Employed Persons

- The Social Security Contribution rate due is based on income derived from the **net annual income** from rents, bank interest or financial investments; earned during the previous calendar year of that of payment.
- Rates are similar to those of Self Occupied persons with the exception of the Class 2 SP rate which is applicable only to Single persons.



Self Employed Persons

- Self employed persons' social security contributions are paid to the Commissioner of Inland Revenue every four months; namely in April, August and December respectively.



Persons Employed Abroad

Article 13(i) of the Social Security Act provides for:

- persons employed under a contract of service outside Malta,
- but who retain their ordinary residence in Malta,

Request the Director – DSS to pay Class 1 (Employed person) contributions instead of Class 2 contributions.

Article 13(i) provides that no social security contribution shall be payable by or on behalf of the Employer.



Persons Employed Abroad

- Although equivalent to Class 1 contributions, Social security contributions under Article 13(i) are paid in the same manner as Self Occupied Class 2 contributions.
- To the Commissioner of Inland Revenue every four months; namely in April, August and December respectively, or until the same employment conditions continue to apply.

