



Taxation Office, St Mary's Walk, Stanley, Falkland Islands,
FIQQ 1ZZ
Tel (+500) 28470
Email general@taxation.gov.fk
Website: www.fig.gov.fk/taxation
Public opening hours Monday to Friday, 9am – 12 noon

Employers Guide

Please note all forms must be returned to the Taxation Office. Returns should be emailed to taxreception@taxation.gov.fk

Please note that any cheques submitted to the Taxation Office for payment of monthly POAT must be made out to F I Government.

Annual Tax Calendar

Please refer to your tax calendar for dates that you must return forms and paperwork to the Taxation Office, this will hopefully prevent penalties being charged for late submission of forms.

Tax Tables

The tax tables have now been updated to reflect a change in the personal allowance from the 01 January 2024.

Income Tax	Personal Allowance	£15,960
	Lower tax bracket & rate	£12,000 at 21%
	Upper tax bracket & rate remainder	at 26%

Medical Services Tax (MST) the MST rate has been set at 0%

Flat Rate Tax Tables – if you are not the employee's main employer or the employee is non-resident for tax purposes; you are required to deduct a straight 21% POAT from any monies you pay them.

Grossing Up – if you have any employees who are due remuneration free of tax, the net taxable remuneration must be grossed up to reflect this. Please contact our office for grossing up details.

Please ensure the appropriate tax tables are used for remuneration etc. from 1st January 2024.

Notification of New Employee (EMP-03)

We require you to complete this form when you take on a new employee. If you are unsure whether the person is an employee or not, please contact the Taxation Office. If you are unsure of an employee's Tax Identification Number please contact the Taxation Office. **Return this form by the 14th of the following month with the monthly POAT return.**

Notification of Worker supplied via agencies or intermediaries (EMP-03a)

The use of employment agencies or intermediaries for the supply of labour may still result in the payment of POAT in respect of these workers. There is provision in the TO1997 to require someone who is not the employer of an employee – but for whom the employee works – to deduct POAT on that employee's earnings.

We require you to complete this form when you have a worker supplied to you from an agent or intermediaries for the Tax Office to consider if S22/22A of the Taxes Ordinance would apply. **Please submit this form to the Tax Office 21 days before the contract is due to commence.**

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Monthly POAT/RPC Returns (EMP-02) - Please contact the Tax Office for the return to be emailed to you

With effect from 2020 the monthly POAT return form was changed to enable employers to submit the monthly forms electronically.

The setup of the form is very similar to the previous EMP-02, however this needs to be emailed to the tax office taxreception@taxation.gov.fk in the excel format. Included with this employer pack is the E-POAT instructions, please read through these and contact the Tax Office if you have any queries.

Employers use the EMP-02 at the end of every pay period to report POAT / RPC payable by the employer. If this return is not at the Taxation Office **on or before the 14th of the next month there is an automatic penalty of £50**. NIL returns are also required within 14 days of the end of the month.

If the POAT due is not paid on or before the 14th of the next month interest and a penalty equal to the amount of POAT will be charged. Therefore please ensure returns and payments are received by the 14th of the following month to avoid any penalty and interest charges. For any payments being submitted to the Tax Office via cheque the creditor should be detailed as F I Government.

There is no legal obligation to complete the Benefits in Kind column or use this figure when calculating your employees monthly POAT. However, if you do include these figures when calculating the POAT due, your employee may have made an underpayment of tax based on their earnings at the end of the year.

Please ensure that all the correct information is on your EMP-02 return, please use the first line of the POAT form, and ensure that there are no blank records between your employees on the form. When an employee stops working for you in the year please remove that employee for that month and following months (please do not 'delete' or 'hide' the line, instead delete the contents of the cells). Alternatively you can leave that employer on the return but include '0.00' in the relevant boxes. New employees can then be added to the next row down.

Please note that you will be unable to edit the many parts of the EMP-02 as these are protected to ensure the formulas are kept correct.

Remittance Advice—EMP-02a—Please contact the Tax Office for the return to be emailed to you

To ensure that FIG are able to correctly allocate funds on receipt for the payment of the monthly POAT please can arrangements be made for the EMP-02a (remittance advice) to be submitted to the Tax Office and the Treasury Cash Office at the time of payment.

The remittance can be emailed directly to both offices using general@taxation.gov.fk and cashoffice@sec.gov.fk

Certificate of Tax Deducted - EMP-04

Please complete this form when an employee leaves your employment during the year. Send one copy to the Taxation Office, one copy to the employee and keep one for your files. You are required to provide the Taxation Office and the employee with their respective copies **within 7 days of the end of the employment. If that employee is leaving the Islands please ensure that you complete the contact details outside of the Islands for that person.**

If the employee is still employed with you at the 31 December of the year, a copy of the Certificate of Tax Deducted should be sent to the employee by 31 January of the following year.

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Benefits in Kind

Example

Dwelling house benefits are charged at the rate of £1,500 per room when a furnished dwelling is provided by you to your employee, up to a maximum of £10,500 per annum. This equates to a benefit charge of £875 per month for the largest house. Actual tax due by the employee depends on what tax rate they fall into, in their annual assessment.

For details of other Benefits in Kind charges, please see the separate Benefits in Kind tables.

Employers Employee Benefits in Kind Monthly Record—*Please contact the Tax Office for this return to be emailed to you*

You may wish to complete this form every month for each employee and keep it to assist you when completing your end of year records.

Weekly & Monthly Benefits in Kind Tables

These have been prepared to assist you to calculate the cost of each benefit every month. They show the actual weekly or monthly benefit in kind that arises on each benefit for which a daily or annual value is in place.

Travel - enter the actual value of the benefit of any travel received.

Loans - take no action with these until 31 December 2023 year end or when the employee ceases employment with you, if earlier. We will explain the action you must take with any loan in your **2024** End of Year Pack. If you need details before this pack is issued, please contact our office.

If you have any questions on Benefits in Kind, we have a leaflet which includes frequently asked questions. Please contact or visit the Taxation Office for a copy.

Note: This is a brief summary of the law and practice at the time of writing. It is not binding in law and does not affect your rights of appeal. You should bear in mind that the information offers general guidance on how the rules apply, but whether the guidance is appropriate in a particular case will depend on all of the facts. Special rules exist to deter tax advantages being gained by dealings between connected parties. You should therefore seek professional advice on how the rules apply in your own case