

2021 Employers Guide

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

2021 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 not changed since 2015, as there have been no changes to the below for 2020:

Income Tax	Personal Allowance	£15,000	
	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 2021.

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 within 7 days of the person starting employment with you.**

Monthly POAT/RPC Returns (EMP- 02)

With effect from 2020 the monthly POAT return form has changed to enable employers to submit this 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 information is the E-POAT instructions, please read through these and contact the Tax Office if you have any queries.

Employers use this form at the end of every pay period to report POAT / RPC payable by you. 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 not have made an overpayment or underpayment 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).

Please note that you will be unable to edit the very first tab 'import info' on this workbook, but anything you do in the second tab 'EMP-02' will affect the information that is inputted to 'import info'.

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 31st December 2021, a copy of the Certificate of Tax Deducted should be sent to the employee by 31st January 2022.

Benefits In Kind

Example

Dwelling house benefits are charged at the rate of £1,000 per room when a furnished dwelling is provided by you to your employee, up to a maximum of £7,000 per annum. This equates to a benefit charge of £583 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

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 2021 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 2020 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.

Contact details:

FIG Taxation Office
St Mary's Walk
Stanley
Falkland Islands

Opening Hours:

Monday to Friday 0900-1200

Phone:

+500 28470

Email:

general@taxation.gov.fk