

Maternity Leave Fund

A social measure which will help strengthen equal opportunities in the employment sector

As announced in the last budget, from July of this year a Maternity Leave Fund has been launched.

By means of this fund, employers in the private sector are entitled to a reimbursement of the salary of the 14 weeks maternity leave paid to their employees.

For this purpose, private sector employers are obliged to pay a contribution for each employee to the maternity fund as shown in the table below:

Category	Type of employee	Weekly contribution rate to be paid by employer
A	Persons under 18 years of age whose basic weekly wage or the weekly equivalent of their basic monthly salary does not exceed €166.26.	€0.20c
B	Persons over 18 years of age whose basic weekly wage or the weekly equivalent of their basic monthly salary does not exceed €166.26.	€0.50c
C	Persons born on 31 December 1961 or before whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds €166.26 but does not exceed €343.11.	0.3% calculated to the nearest cent of their basic weekly wage or the weekly equivalent of their basic monthly salary
	Persons born on 1 January 1962 or after whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds €166.26 but does not exceed €418.25.	
D	Persons born on 31 December 1961 or before whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds €343.11.	€1.03c
	Persons born on 1 January 1962 or after whose basic weekly wage or the weekly equivalent of their basic monthly salary exceeds €418.25.	€1.25c
E	Persons under 18 years of age who are following a full-time course of studies or instruction under the Student-Worker Scheme, or other similar schemes (including the Extended Skills Training Schemes, but excluding the Worker-Student Schemes) involving distinct work and study periods for which they are receiving remuneration.	0.3% calculated to the nearest cent of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of €0.13c
F	Persons over 18 years of age who are following a full-time course of studies or instruction under the Student-Worker Scheme, or other similar schemes (including the Extended Skills Training Schemes, but excluding the Worker-Student Schemes) involving distinct work and study periods for which they are receiving remuneration	0.3% calculated to the nearest cent of the basic weekly remuneration or the weekly equivalent of their basic monthly remuneration up to a maximum rate of contribution of €0.24c

This contribution is to be paid every month to the Inland Revenue Department through the FS5 form. Consequently a new line has been added in the FS5 form, indicating the amount paid by the employer towards this fund. A copy of the new FS5 is downloadable from the Department's website www.ird.gov.mt

The payment of this contribution is effective as from 6 July 2015. However, the payment of this contribution for the month of July may be made by the end of September 2015. The payment of tax and social security contribution collected for the month of July should still be made by the end of August 2015.

The end-of-year forms, namely the FS3 and FS7, will be amended to reflect this measure.

For more information on this fund you may access the following link:

<https://socialdialogue.gov.mt/en/Pages/FAQs/Maternity-Leave-Trust-FAQ.aspx>

If you have any questions about this fund or regarding the application of this contribution you may send an email to socialdialogue@gov.mt with the subject referenced as "maternity leave trust".

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