In celebration of 49th Birthday!!!

On July 1, 2017, the Republic of Palau Social Security Administration (ROPSSA) celebrated its’ 49th Anniversary since the establishment under the Trust Territory Social Security System (TTSSS) on July 1, 1968. The TTSSS ended on May 28, 1987 when the RPPL 2-29 was enacted to create ROPSSA. The ROP Social Security has been managed under the Board of Trustees for the past 30 years while the first 19 years of the program, it was under the Trust Territory Administration. ROPSSA has grown over the years to reach employee active members of 13,938 in 2016 contributing to the Fund while beneficiaries are currently at 3,028. ROPSSA strive to achieve excellence servicing to ensure that all members contributing to the Plan will be eligible to receive benefits at retirement.
REPORTING & PAYMENT

It is an employer’s duty and responsibility under the law (41 PNC) to file a report to the Social Security Administration and pay the contributions due for SSA and HCF at the end of each quarter on an official form provided by the Administration. The Administration is not obligated to remind employers of this responsibility. Nevertheless, SSA does provide continuing services by sending letters to employers who fail to file and pay their obligations on due date. Under the law, the Administration assumes that an employer or business owner is aware of the legal responsibilities for owning and operating a business within the Republic of Palau. A claim of ignorance by any employer or business owner failing to report shall not be a valid legal defense for not reporting or non-payment of contributions. In any cases, SSA is currently providing education for completing the filing forms on any new business or EIN issued.

The official report form is provided by the Administration to each employer, free of charge. Basic information are as follows:

1. The Employer Identification Number (assigned by SSA);
2. The Employee Contributor Social Security Number (assigned by SSA);
3. The Employer’s Home Telephone Number, Work Telephone Number, and Cell Phone Number;
4. The Employer’s Email Address (if any); and
5. The Employer’s Business and Residential Post Office Box.

The Administration assumes that all reports submitted by employers were done under a good faith basis, truthful, diligent, and accurate records of the business. All reports submitted by employers shall be signed under penalty of perjury and subject to criminal prosecution by the Office of the Attorney General under 17 PNC § 2601.

If an employer or employee knowingly submits erroneous information on any report required by the Administration, a fine of $2,000 is first assessed with appropriate legal action to take under the law. Furthermore, random audit of employer is being taken to ensure that information filed at Labor Office, Immigration and Tax Office are true, correct and consistent with SS records.

DELINQUENT ACCOUNTS

The Administration is renewing its effort to improve collection as yet another way to close the gap between what the Administration now has to pay out in benefits versus what it now receives in contributions. A stepped-up collection effort will mean going after businesses and individuals with outstanding tax obligations. Towards that end, we will be hand delivering and/or mailing letters and notices to all businesses and individual taxpayers with delinquent accounts or who are otherwise in default of their tax payment agreements.

NOTICE TO EMPLOYERS WITH DELINQUENT ACCOUNTS

The Republic of Palau Social Security Administration is notifying all Employers with delinquent accounts that are covered under Agreements to keep current their agreed payments to avoid additional charges in interests, penalties and attorney’s fees.

For those with delinquent accounts that are not covered by an Agreement, you must come forward immediately so that some payment arrangement can be made. Be reminded that delinquent accounts will affect your eligibility to apply for a new Employer Identification Number or Business License, new Employee’s Social Security Numbers and most importantly the Social Security Benefits.

The Administration is encouraging you to come forward to seek possible ways to resolve any outstanding balance without referring them to the Attorney for collection. Be reminded that in accordance with 41 PNC, Employer shall be liable to the SSA for the amount of such attorney’s fees and costs.
MSA REFUNDS

The Healthcare Fund Law says that foreign workers who depart Palau permanently, after having completed their contractual obligations with their employers, are entitled to a refund of their Medical Savings Account (MSA).

To apply for a refund of your MSA, you must come to Social Security Administration in person to fill out the application form. Documents required are:

1. Employment Clearance that has been duly signed by you, your employer, and the Bureau of Labor and Immigration;
2. Copy of your airline ticket;
3. Copy of passport; and
4. Authorization To Pick Up Check if you are authorizing someone to pick up your check for you.

There are 3 different ways in which you can receive your MSA refund:

1. By check to your address in your home country;
2. By deposit into your FDIC bank in Palau. To use this option, you will need to keep your FDIC bank account in Palau open and active for at least 6 months from your departure date so SSA can deposit your refund when it is finally processed. Keep in mind that refunds are processed 6 months after your departure from Palau; and
3. Or you may file an authorization for someone in Palau to pick up your check. To do this, you will need to complete the Authorization to Pick Up Check Form at SSA. This Authorization will have to be signed by you and notarized. The individual whom you are authorizing will also have to sign the authorization form.

Another option which SSA is currently working on now is to send your refund to you through Western Union with a fee.

Retirement Age is back at 60 – RPPL 9-62 as amended by RPPL 10-03

The effective retirement age is now 60. RPPL 9-62 which was signed into law on July 2016, and amended in March 2017 by RPPL 10-03, returned Retirement Age back to 60 years of age. As a result, beginning with the benefit month of April 2017, all retirees were awarded full retirement benefits as follows:

- If you filed for early retirement before July 2016, your benefit was increased to 100% beginning with your April 2017 benefit forward;
- If you became entitled and filed for early retirement in July 2016 or after July 2016, your benefit will be increased to 100% starting with your April 2017 benefit, with retroactive benefit payments going back to the month in which you turned 60, subject to Earnings Test.
- If you turned 60 years of age in April 2017 and you filed in April 2017, your benefit started at 100%.

Returning the retirement age back to 60 years effectively ended early retirement provisions under RPPL 9-12, hence, you now need only to be 60 years of age and fully insured (with 38 quarters) to be entitled to retirement benefits.

If you have any questions regarding full retirement age and how it affects your retirement benefit, you may call Social Security Administration at 488-2457.
The Republic of Palau Social Security Administration is hereby informing all employers that effective October 1, 2015, the maximum taxable wage will increase from $5,000 per quarter to $6,000 per quarter as required by RPPL 9-12. This change will affect 4th Quarter 2015 report. Therefore, please adjust your tax due and pay the appropriate amount in January 2016.

Sadly, we bid fond farewell to three (3) of our productive members of our team, Ms. Ashley R. Umetaro, Ms. Natalie O. Nakamura and Ms. Kumiko Kurihara for good reasons (1) continue college education (2) manage family owned businesses and (3) taking care of family. Wish you all the best in your future endeavours.

Happy Birthday
Apr 10—Frolly Bultedaob
Apr 10—Emeraech Oderiong
Apr 14—Marla Rimirch
Apr 24—Irorou Mai
May 10—Ashley Umetaro
Jun 04—Hefflin Bai
Jun 05—Crystal Ngiraidong
Jun 17—Wilfred Asanuma
July 30—Charity Ngiraibai

Announcements
On June 16, 2017, SSA celebrated a retirement of Mr. Wilfred Joseph Asanuma “Joe” as he reached his retirement, but SSA contracted his expertise for another year. So you’ll see him around in SSA for awhile. Thank you, Joe!!!

Sad May 25—Jarae Teltull—2yrs
May 26—Saula Andrew—3yrs
Jun 3—Merrian Emil—4yrs
Jun 9—Christopher Isamu—3yrs
Jul 2—Dilkui Marino—3 yrs

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