

Organization Information Extracted from: sections 601-603.docx

****PART 1: Information for ROPSSA****

The information provided in this section is specific to ROPSSA (Republic of Palau Social Security Administration). It includes the reporting and payment requirements for employers under the Social Security Act.

1. **Reporting and Payment of Contributions:**

- Employers are required to make reports to the Social Security Administration and pay all amounts of contributions due at the end of each quarter on an official form provided by the Administration.
- The Administration assumes that employers are aware of their legal responsibilities. A claim of ignorance is not a valid defense for non-payment or failure to report.
- Employers must show certain information on the official report forms, including the Employer Identification Number, Employee Contributor Social Security Number, Home Telephone Number, Work Telephone Number, Cell Phone Number, Email Address, and Business and Residential Post Office Box.
- Reports submitted by employers are assumed to be completed on a good faith basis, based on truthful, diligent, and accurate records of the business. They must be signed under penalty of perjury and are subject to criminal prosecution by the Office of the Attorney General.
- Any errors or mistakes in reports result in an administrative fee charged per error. Employers knowingly submitting erroneous information may be reported to the Office of the Attorney Generals for prosecution under 17 PNC § 2601 or any other offenses deemed appropriate.

2. **Quarterly Tax Reports:**

- Employers must submit all Social Security Quarterly Tax Reports to the Administration with payment in full within a month following the end of each quarter.
- The report form includes the employer's name, Employer Identification Number, complete address, payroll ending date, due date, total gross wages, taxable wages, twelve percent (12%) tax for each employee, and the totaled wages and tax at the bottom of the page.
- The due dates for Quarterly Tax Reports are as follows: March 31st Report due on April 30th, June 30th Report due on July 31st, September 30th Report due on October 31st, and December 31st Report due on January 31st.

3. **Refunds:**

- Employees may be refunded excess contributions when they contribute more than the maximum remuneration of six thousand dollars (\$6,000) from October 1, 2015, and eight thousand dollars (\$8,000) on October 1, 2017, whether from one or more employers.
- The excess employee contributions during the four quarters ending on December 31st shall be refunded by the Administration to the employee within ninety (90) days after that date, provided the amount is not less than five dollars (\$5.00).
- No refund shall be made for an amount of less than five dollars (\$5.00). No refund shall be made to any employer on any amount of excess employer contributions paid by them, other than to correct an error. No refund shall be issued to any employee who owes outstanding employer or employee Social Security debt; instead, the refund shall be used to off-set any outstanding Social Security debt.

****PART 2: Information for HCF (Health Care Fund)****

The information provided in this section is specific to HCF (Health Care Fund). It includes the reporting and payment requirements for employers under the Health Care Act.

1. **Reporting and Payment of Contributions:**

- Employers are required to make reports to the Health Care Administration and pay all amounts of contributions due at the end of each quarter on an official form provided by the Administration.
- The Administration assumes that employers are aware of their legal responsibilities. A claim of ignorance is not a valid defense for non-payment or failure to report.
- Employers must show certain information on the official report forms, including the Employer Identification Number, Employee Contributor Health Care Number, Home Telephone Number, Work Telephone Number, Cell Phone Number, Email Address, and Business and Residential Post Office Box.
- Reports submitted by employers are assumed to be completed on a good faith basis, based on truthful, diligent, and accurate records of the business. They must be signed under penalty of perjury and are subject to criminal prosecution by the Office of the Attorney General.
- Any errors or mistakes in reports result in an administrative fee charged per error. Employers knowingly submitting erroneous information may be reported to the Office of the Attorney Generals for prosecution under 17 PNC § 2601 or any other offenses deemed appropriate.

2. **Quarterly Tax Reports:**

- Employers must submit all Health Care Quarterly Tax Reports to the Administration with payment in full within a month following the end of each quarter.
- The report form includes the employer's name, Employer Identification Number, complete address, payroll ending date, due date, total gross wages, health care contributions, and the totaled wages and tax at the bottom of the page.
- The due dates for Quarterly Tax Reports are as follows: March 31st Report due on April 30th, June 30th Report due on July 31st, September 30th Report due on October 31st, and December 31st Report due on January 31st.

3. **Refunds:**

- Employees may be refunded excess contributions when they contribute more than the maximum remuneration of six thousand dollars (\$6,000) from October 1, 2015, and eight thousand dollars (\$8,000) on October 1, 2017, whether from one or more employers.
- The excess employee contributions during the four quarters ending on December 31st shall be refunded by the Administration to the employee within ninety (90) days after that date, provided the amount is not less than five dollars (\$5.00).
- No refund shall be made for an amount of less than five dollars (\$5.00). No refund shall be made to any employer on any amount of excess employer contributions paid by them, other than to correct an error. No refund shall be issued to any employee who owes outstanding employer or employee Health Care debt; instead, the refund shall be used to off-set any outstanding Health Care debt.

****Note:**** On October 1, 2020, there will no longer be a maximum amount of remuneration for ROPSSA. Self-employed individuals must report their highest paid employee twice the wages of their highest paid employee, subject to the quarterly maximum. Palauan citizens who are employees contributing on total

remuneration in excess of the maximum remuneration of six thousand dollars (\$6,000) on October 1, 2015, and shall be increased to eight thousand dollars (\$8,000) on October 1, 2017, regardless of whether the remuneration is from one or more employers, and the employee contributions are withheld and paid to the Administration; the excess employee contributions during the four (4) quarters ending on December 31st shall be refunded by the Administration to the Palauan employee within ninety (90) days after that date. Foreign workers under 30 PNC [Labor], are eligible to receive a refund when they contribute on total remuneration in excess of the maximum remuneration of six thousand dollars (\$6,000) on October 1, 2015, and eight thousand dollars (\$8,000) on October 1, 2017,