

L.N. 39 of 2000

**INCOME TAX MANAGEMENT ACT, 1994**  
**(ACT NO. XVIII OF 1994)**

**Final Settlement System (FSS) (Amendment) Rules, 2000**

IN exercise of the powers conferred by section 23 and paragraph (b) of section 57 of the Income Tax Management Act, 1994, hereinafter referred to as “the Act”, the Minister of finance has made the following rules:—

**1.** (1) The title of these rules is the Final Settlement System (FSS) (Amendment) Rules, 2000, and shall be read and construed as one with the Final Settlement System (FSS) Rules, 1998, hereinafter referred to as “the principal rules”. Citation and commencement.  
L.N. 88 of 1998.

(2) These rules shall be deemed to have come into force as from 1st January, 2000 in respect of the year of assessment 2001 and of subsequent years of assessment.

**2.** For item (ii) of the definition of “emoluments” in rule 2 of the principal rules there shall be substituted the following:— Amends rule 2 of the principal rules.

“(ii) any pension arising or received in Malta chargeable to tax under paragraph (d) of the said subsection; and”.

**3.** Rule 7 of the principal rules shall be amended as follows:— Amends rule 7 of the principal rules.

(1) for subparagraph (a) of paragraph (1) thereof there shall be substituted the following:—

“(a) all local pensions receivable by the payee other than those regulated by the provisions of paragraph (3) hereof; and”.

(2) immediately after paragraph (2) thereof there shall be inserted the following new paragraph:—

“(3) Notwithstanding the other provisions of this rule, where the Director of Social Security effects payment of a pension payable under the Social Security Act to a payee, who is also the recipient of one or more pensions from any other source, such Director shall, subject to appropriate information being brought to his notice by the Commissioner, Cap. 138.

take into account, for the purpose of tax deduction, the aggregate amount of the pensions receivable by such payee and compute the relative amount of the tax to be deducted in the manner directed by the Commissioner.”; and

(3) paragraphs (3) and (4) thereof shall be renumbered as paragraphs (4) and (5) thereof respectively.