



Tuvalu

PROVIDENT FUND (CREDITING ACCOUNTS) REGULATIONS

2008 Revised Edition

CAP. 32.08.6



Tuvalu

PROVIDENT FUND (CREDITING ACCOUNTS) REGULATIONS

Arrangement of Regulations

Regulation

1	Short title.....	5
2	Interpretation.....	5
3	Crediting contributions	5
4	Crediting interest to member's account	6
5	Calculation of final amount	6
6	Statements of Account	7
7	Repeal and saving	7

Supporting Documents

ENDNOTES

8



Tuvalu

PROVIDENT FUND (CREDITING ACCOUNTS) REGULATIONS¹

MADE UNDER SECTION 17(3) OF THE PROVIDENT FUND ACT

Commencement [1 January 2000]²

1 Short title

These regulations may be cited as the Provident Fund (Crediting Accounts) Regulations.

2 Interpretation

In these Regulations unless the context otherwise requires —

“**account**” means the account maintained for each individual member;

“**credit balance**” means the amount standing to the credit of a member at any time in his or her account;

“**date of entitlement**” means the date of the event as a result of which entitlement to benefit arises;

“**final amount**” means the member’s credit balance after all contributions have been paid and interest added for the period to the date of entitlement;

“**opening credit**” means the credit balance at the beginning of each financial year before any contributions for that year have been added to the account.

3 Crediting contributions³

- (1) All contributions paid under section 12 shall be credited to the member’s account at the date on which they are paid.

- (2) All contributions credited under section 17 shall be credited to a member's account at the date approved by the Board.

4 Crediting interest to member's account⁴

- (1) Subject to regulation 4(3), the rate of interest declared under section 10 shall be calculated in the following manner at the end of each financial year —
 - (a) the total of the contributions in respect of a member recorded under regulation 3(2) for the financial year shall be added to the member's opening credit for that financial year;
 - (b) any sums, other than contributions credited under regulation 3, added or credited to a member's account during that financial year shall be added to the member's credit for that year;
 - (c) the rate of interest declared under section 10 shall be applied to the sum arrived at under paragraph (a) and (b);
 - (d) the rate of interest declared under section 10 shall be applied to the contributions by the member recorded under regulation 3(1) on a pro rata basis, being the ratio of the number of complete days between the date of payment and the end of the financial year.
- (2) The interest calculated under paragraph (1)(c) and (d) above shall be added to the member's credit balance at the close of the financial year and the resultant amount shall become the opening credit for the following financial year.
- (3) The rate of interest declared under section 10 shall not be below zero percent.

5 Calculation of final amount

- (1) Where entitlement to benefit arises after the opening credit under regulation 4(2) has been calculated and before —
 - (a) further contributions have been paid or are credited, or liability for contributions arises; and
 - (b) the 1st day of February in any year,the final amount for the purposes of section 23(4)(a) shall be that opening credit.
- (2) Where entitlement to benefit arises between the 31st day of January in any year and the 1st day of January in the following year, the final account shall for the purposes of section 23(4) be calculated by —
 - (a) adding to the opening credit any contributions paid under section 12 or credited under section 17 or otherwise added or credited to the member's account for the period to the date of entitlement;

- (b) applying the rate of interest declared for the financial year immediately preceding the date of entitlement to the sum arrived at under paragraph (a), on a pro rata basis, being the ratio of the complete days between —
 - (i) the 1st day of January and
 - (ii) the date of entitlement.

6 Statements of Account

- (1) As soon as possible after the end of each financial year the Manager shall cause a statement of account to be sent to every employer in respect of each employee listed on the schedule of contributions for the last three month period of the financial year.
- (2) Within fourteen days of their receipt the employer shall either deliver the statements of account mentioned in subregulation (1) to the employees to whom they are addressed or return any undeliverable statements to the Manager.
- (3) A member of the Fund who has not received a statement of account under the provisions of subregulation (2) may apply to the Manager for a statement and the Manager shall forward the statement of account within one month.

7 Repeal and saving

The Provident Fund (Crediting accounts) Regulations 1984 are repealed, but without prejudice to any rights accrued or obligations incurred under those regulations rights accrued or obligations incurred under those regulations.

ENDNOTES

¹ LN 11/1999

Amended by LN 7/2003

Amended by LN 2/2005, commencement 1 March 2005 by LN 3/2005

² By LN 13/1999

³ Substituted by LN 2/2005

⁴ Substituted by LN 7/2003