



Circular 0052/2009

To the Management Authorities of Primary, Secondary, Community and Comprehensive Schools.

Maternity/Adoptive Leave

Revised Arrangements for Teachers and Special Need Assistants liable for Class A PRSI contributions who propose to take Maternity/Adoptive Leave.

1. Introduction

Revised arrangements have been introduced from January 2009 for teachers and special need assistants taking paid maternity/adoptive leave and who pay PRSI Class A contributions.

2. Background

Staff first appointed since 6th April 1995 are liable for Class A rate PRSI contributions. This contribution class may also be payable by teachers appointed before the 6th April 1995 who resigned from their teaching position prior to or after that date and who were subsequently re-appointed or re-admitted to teaching positions.

All special need assistants pay Class A rate PRSI contributions.

3. Previous Maternity/Adoptive Leave Pay arrangements.

Female staff members who pay Class A PRSI contributions are entitled (subject to Department of Social and Family Affairs (DSFA) eligibility regulations) to claim maternity/adoptive benefit from DSFA. Prior to January 2009 the Department of Education and Science issued full pay to teachers and special need assistants in respect of the period of paid maternity/adoptive leave. The maternity/adoptive benefit was payable to the Department of Education and Science by the Department of Social and Family Affairs on receipt of the completed form MB10/AB1 from the teachers / special need assistants.

4. Revised Maternity/Adoptive Leave Pay Arrangements from January 2009.

A revised arrangement was introduced in January 2009 for teachers and special need assistants taking maternity/adoptive leave who pay Class A rate PRSI contributions. This new arrangement is necessary to comply with Revenue and DSFA regulations. Maternity/Adoptive benefits is not liable for income tax, income levy, PRD or PRSI charges and this change ensures that benefit is paid to all eligible persons without deduction of any tax.

From January 2009 a deduction in value equivalent to the rate of maternity/adoptive benefit payable to the teacher/special need assistant has been deducted fortnightly from staff paying A Class PRSI. DSFA has been issuing the benefit payable by them directly to the staff member in question on receipt of the MB 10/AB1 claim form.

The maximum amount of benefit payable by DSFA is €280 per week from 1/1/2009 and the equivalent amount has been deducted from salary. If the amount of benefit payable to the staff member is less than the maximum, or if a person is not entitled to have the benefit equivalent deducted then they should notify their payroll section of this Department to ensure that the salary adjustments are correct. Changes to automatic deduction of the maximum amount will be made if accompanied by confirmation from DSFA.

5. New Administrative Arrangements.

The teacher/special need assistant should complete their section of the MB10/AB1 form, ensure that the school enters the maternity/adoptive leave absence record on the On Line Claims System (OLCS) and completes the employer's portion of the form **at least 6 weeks before the claim is due** and send it to the Department of Social and Family Affairs. Failure to submit the form to DSFA six weeks in advance may result in a delay in payment of the benefit to the claimant. All details necessary to complete the MB10/AB1 form will be displayed on the OLCS once the maternity/adoptive leave record is keyed.

Instructions on how to complete the MB10/AB1 forms are attached in the Appendix to this circular. This information is also available on the Department's web site www.education.ie.

Deductions will be made fortnightly during the period of paid leave up to a maximum of 26 weeks and 24 weeks for maternity leave and adoptive leave respectively. **If the absence records are entered late, the arrears due will be deducted from salary after the date of notification.**

6. Taxation of Maternity Benefit.

Maternity/Adoptive benefit payment is not liable for tax or levies. The new arrangements ensure that the taxation arrangements will be correctly applied to the salary of the individual.

P. Maloney,
Principal Officer.
August, 2009

APPENDIX

Revised procedures for recording maternity/adoptive leave on OLCS

New arrangements to claim Maternity/Adoptive Benefit for staff paying Class A PRSI have been in place from 1st January 2009 and staff members have had maternity / adoptive benefit paid directly to them by the Department of Social and Family Affairs and the equivalent benefit amount deducted from salary. This is necessary to ensure that tax benefits are credited directly to the staff member in question.

Maternity/adoptive leave must be entered on OLCS and the MB10/AB1 form submitted to the Department of Social and Family Affairs at least **six weeks** prior to the start date of the leave to ensure timely deduction from salary and payment of Maternity/Adoptive Benefit by the Department of Social and Family Affairs.

The MB10/AB1 form should not be sent to the Department of Education and Science.

- 1.The new procedure for recording maternity/adoptive leave on OLCS is as follows: Inform staff member to complete the MB10/AB1 form as Maternity/Adoptive Benefit is now being deducted from salary and early completion of these forms will result in timely payment of the Maternity/Adoptive Benefit by the Department of Social and Family Affairs
- 2.Click Add Leave on the OLCS menu
- 3.Enter start and end date of the leave and click Next
- 4.Select the staff member on leave, the leave category and sub category. The total number of days in the range should read 182 (26 weeks) in respect of maternity leave and 168 (24 weeks) in respect of adoptive leave. Click Next.
- 5.Enter the expected date of confinement. Click on MB10/AB1 Certification
- 6.A list of the PRSI weeks for the current and previous year is displayed on OLCS to assist the employer to complete Part 4 Question 28 of the Maternity Benefit form (MB10) and Part 4 Question 17 of the Adoptive Benefit form (AB1).
You should also enter the appropriate Employers Registered Number (Primary Teacher - 4000099H, Post-Primary Teacher - 0081300S, NTS - 9599516K). You may use the schools telephone number and school stamp.
- 7.Where the total number of PRSI weeks is 52 for the previous tax year and the staff member has been in continuous employment since then, the total number of weeks to be entered is 52. If the total number of weeks is less than 52 and the staff member has an appointment to the start date of her maternity/adoptive leave the total number of weeks is the sum of PRSI weeks in the previous tax year plus the sum of PRSI weeks in the current tax year to the start date of her maternity/adoptive leave.
- 8.Click Add Certificate.
- 9.Enter the Certificate Start and End date. This date must match the Start and End date of the Maternity/Adoptive leave. A Certificate number is generated which should be recorded on the back of the certificate and filed.
- 10.Click Save and Add. A confirmation message is displayed.
- 11.The Maternity/Adoptive leave in lieu/Unpaid Maternity/Adoptive leave cannot be entered until the next day as the maternity/adoptive leave record needs to be verified by the Department overnight in order to commence fortnightly deduction from salary.