

**Reference No:** E109/172/76;    **Date:** 02/08/77

### **Circular 7/1977:- Deduction from pay of Life Assurance Premiums**

A Dhuine Uasail

#### GENERAL - ALL DEPARTMENTS

1. Paragraph 5 of Circular 38/76 dated 7 Nollaig 1976 dealt amongst other things with arrangements for the deduction of life assurance premiums from pay.

2. Following further discussions with the Life Offices Association of Ireland, which represents all the life assurance companies for whom deductions are made, it has been agreed that:-

(a) commencement of deductions will be only at the beginning of a quarter and cessation of deductions will be only at the end of a quarter (except for cases where a policy is surrendered). The companies will give Departments one month's notice of the beginning or cessation of a deduction.

(b) Consequent on (a), deductions in respect of policies due to mature during a quarter will cease at the end of the previous quarter. Premiums due from the end of quarter to the maturity date will be collected by the company, usually by deduction from the maturity value.

(c) In the case of surrendered policies, where the date of surrender cannot be anticipated, Departments should cease deductions as soon as possible and at the end of the quarter pay to the companies any premiums deducted.

#### DEPARTMENTS USING CDPS PUBLIC SERVICE PAYROLL

3. Paragraph 7 of Circular 38/76 provided for change in the procedures set out therein where a variation was advised by the Central Data Processing Services to enable computerised payroll to be operated in the most cost-effective manner. In accordance with this paragraph the following arrangements have been agreed with the Life Offices Association of Ireland and apply to Departments whose payrolls are fully computerised by CDPS:-

(a) the computer system will list by company for each quarter

(i) the personnel number and name of each employee from whom deductions are made on foot of a policy with that company;

(ii) the amount advised for deduction in the quarter for all policies held by the employee;

(iii) the amount deducted in the quarter;

(iv) the amount of any discrepancy between (ii) and (iii) above;

(v) if the employee has left the Department, the date of leaving;

(vi) the total amount deducted for all employees holding policies with the company.

(b) the computer output as at 3(a), when balanced with the relevant suspense accounts, will be forwarded to the companies and no other return will be required.

4. The companies have asked that Departments add to the listings produced by the computer the present whereabouts, if known, of persons who have left their employment.

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D O'Connor