

**SPECIAL SAVINGS INCENTIVE ACCOUNTS (SSIAs)**  
**INFORMATION FOR SSIA HOLDERS REGARDING SSIA MATURITY**  
**ISSUED BY REVENUE'S SSIA SECTION**

**1. Introduction:**

SSIAs are a five-year savings scheme in which the Exchequer tops-up, by way of a tax credit, subscriptions made by an individual to his or her SSIA. For example, if you lodge €100 each month to your SSIA with your Credit Union, you are entitled to receive €25 each month by way of a tax credit from the Exchequer. Your Credit Union claims this credit on your behalf and lodges it to your SSIA each month. The funds lodged in the SSIA can be held on deposit or invested in other investment products such as a life assurance investment policy. SSIAs were commenced between 1 May 2001 and 30 April 2002 and will mature during the period 31 May 2006 to 30 April 2007. This note explains what is involved in the maturing of SSIAs.

**2. When does my SSIA mature?**

You are entitled to make monthly subscriptions to your SSIA over a five-year period. If you opened your SSIA in May 2001, your 60<sup>th</sup> monthly subscription will be made in April 2006. However, in order to give time for your Credit Union to obtain from the Exchequer the tax credit in respect of that last subscription, your SSIA will not be treated as maturing until the end of the next month i.e. end of May 2006. See TABLE at end of this note for full list of maturity dates. In order to ensure maturity of your SSIA, you are obliged by SSIA rules to make a declaration to your Credit union.

**3. Do I have to do anything in order to mature my SSIA?**

Yes. You are obliged by law to make a declaration in writing on a form known as an SSIA4 to the Credit union with which you have your SSIA.

**4. Where do I get an SSIA4?**

Your Credit union will, at the appropriate time, supply you with the SSIA4 that you are required to complete and on which you make the required declaration. When completed and signed, you must return the SSIA4 to your Credit Union.

**5. What will I have to declare on the SSIA4?**

You will be required to declare that at all times in the period from the date on which your SIA started until the date the declaration is made, you –

the declaration is made, you –

- were the beneficial owner of the assets in the SSIA,
- had only one SSIA
- Were resident or ordinarily resident in the State.
- Subscribed to your SSIA from funds available to you or your spouse without recourse to borrowings, or the deferral of repayment (whether of capital or interest) of sums borrowed when the SSIA started, and
- Did not assign or otherwise pledge SSIA assets as security for a loan.

#### **6. When will I have to complete the SSIA4?**

The SSIA must be completed by you and returned to your Credit Union within the three months ending on your SSIA maturity date. For example if your SSIA started in May 2001, the SSIA4 must be completed and returned to your Credit Union in the period 1 March 2006 to 31 May 2006 – see TABLE at the end of this note.

#### **7. What happens if I don't complete the SSIA 4?**

If you do not complete an SSIA4 and return it to the Credit Union within the three months period concerned, under SSIA rules your SSIA is liable to be taxed as if it were ceased – this will result in all the money in the SSIA being taxed at 23%. This means the Exchequer contribution will be effectively withdrawn.

#### **8. What are the tax implications of maturity of my SSIA?**

When your SSIA matures, only the profit earned from the investment of both your subscriptions and Exchequer tax credits will be liable to tax at 23%. In the case of an SSIA that is a deposit account this profit will be the interest earned. Ballyfermot Credit Union will deduct this tax and forward it to the Revenue Commissioners. There are no further tax liabilities concerning your SSIA.

#### **9. What happens after my SSIA has matured?**

When your SSIA has matured and the tax due on maturity has been deducted, your SSIA then becomes an ordinary investment product whether it is a deposit account, life assurance investment policy or otherwise. It is a matter for yourself whether or not you then want to withdraw the funds from that ordinary investment. However, since it will no longer be an SSIA any further subscriptions will not attract an Exchequer tax credit.

#### **10. Can you give me a full list of maturity dates together with the accompanying deadlines for the submission of the SSIA4 maturity declaration?**

The full list of maturity dates for all SSIA's is outlined in the TABLE below. You can identify your SSIA maturity date by checking the month you started your SSIA and checking the corresponding SSIA maturity date. This TABLE also shows the period during which the SSIA4 should be completed.

TABLE:

2006 / 2007 Maturity dates for SSIA's

<b><u>SSIA COMMENCEMENT DATE</u></b>	<b><u>SSIA MATURITY DATE</u></b>	<b><u>SSIA4 REQUIRED IN PERIOD</u></b>
May 2001	31 May 2006	1 Mar 2006 – 31 May 2006
June 2001	30 June 2006	1 Apr 2006 – 30 Jun 2006
July 2001	31 July 2006	1 May 2006 – 31 Jul 2006
August 2001	31 August 2006	1 Jun 2006 – 31 Aug 2006
September 2001	30 September 2006	1 Jul 2006 – 30 Sept 2006
October 2001	31 October 2006	1 Aug 2006 – 31 Oct 2006
November 2001	30 November 2006	1 Sept 2006 – 30 Nov 2006
December 2001	31 December 2006	1 Oct 2006 – 31 Dec 2006
January 2002	31 January 2007	1 Nov 2006 – 31 Jan 2007
February 2002	28 February 2007	1 Dec 2006 – 28 Feb 2007
March 2002	31 March 2007	1 Jan 2007 – 31 Mar 2007
April 2002	30 April 2007	1 Feb 2007 – 30 Apr 2007

For example, if you commenced your SSIA in February 2002, the maturity date is 28 February 2007. You will be obliged to complete and sign and return an SSIA4 declaration to your Credit Union between 1 December 2006 and 28 February 2007.

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