

SOCIAL SECURITY (IVSS) INSPECTIONS

The “Ruling that provides for the exhibition and presentation of documentation to the Venezuelan Institute of Social Security (Instituto Venezolano de los Seguros Sociales - “IVSS”) by private companies, partnerships, associations, foundations, corporations, establishments, concerns, agencies, entities, State-owned companies, and other juridical or economic entities at which persons subject to the social security obligation provide services” was published in Official Gazette of October 28, 2011. Said Ruling establishes that during the auditing processes conducted by the IVSS, the employers will have the duty to exhibit and present to the relevant officer the following documents:

- A) Form 14-01 CÉDULA DEL PATRONO O EMPRESA (EMPLOYER’S OR COMPANY’S CERTIFICATE) or registration with the Companies’ Management and Self-Assessment System (“TIUNA” in Spanish) duly received and stamped by the relevant Administrative Office.
- B) Form 14-02 REGISTRO DE ASEGURADO (BENEFICIARY’S REGISTRATION) duly received and stamped by the relevant Administrative Office or Certificate of Worker’s Registration issued by the Companies’ Management and Self-Assessment System (“TIUNA”) for the personnel providing services.
- C) Form 14-03 PARTICIPACIÓN DE RETIRO DEL TRABAJADOR (NOTIFICATION OF WORKER’S WITHDRAWAL) duly received by the relevant Administrative Office or certificate of worker’s withdrawal issued by the Companies’ Management and Self-Assessment System (“TIUNA”).
- D) Forma 14-133 CONVENIMIENTO DE PAGOS (PAYMENT AGREEMENT) or certificate issued by the Companies’ Management and Self-Assessment System (“TIUNA”), if any.
- E) Last three (3) payment orders issued by the IVSS, together with the respective vouchers of the bank deposits through which payment was made.
- F) Workers’ Payroll with the following information: names and last names, identity card number, position, salary earned (daily, weekly and monthly), hiring date, of each of the workers.
- G) Quarterly declaration of workers (declaración trimestral de trabajadores) before the Ministry of the Popular Power for Labor and Social Security, for the last three (3) fiscal years.
- H) Copy of income tax return of the last three (3) fiscal years.
- I) Charter/By-laws and last Minutes of Shareholders’ Meetings resolving amendments to the By-laws.
- J) Employer’s Registry of Beneficiaries (Registro Patronal de Asegurados), which must contain the following information about each beneficiary:

- a) Names, last names, and address.
 - b) Social Security Registry Number.
 - c) Date on which he/she was hired by the company or establishment.
 - d) Daily, weekly, or monthly salary.
 - e) Occupation
 - f) Worker's weekly contribution.
 - g) Date of withdrawal.
 - h) Any other data that may be of the interest of the Institute.
- K) Financial Statements of the last three (3) fiscal years and books of accounts.
- L) Any public or private document evidencing the cessation of activities (if such were the case).
- M) Copy of the receipts of payment to the workers that provide their services.
- N) Copy of the last receipt of payment of a basic service.
- O) Lease agreement of the real property at which the activities are performed (if such were the case).
- P) Copy of the identity card of the employer, legal representative or attorney-in-fact.

If the employer has facilities out of the jurisdiction of the parent company, it must have Photostat copies of the aforesaid documentation at said facilities.

According to this Ruling, the employer is bound to keep the Employer's Registry of Beneficiaries for five (5) years.

Likewise, the Ruling establishes that if the employers fail to perform the obligations prescribed by it, they will be penalized pursuant to the Social Security Law.

The Ruling became effective upon its publication in the Official Gazette.



NOTE: THIS NEWSLETTER SHOULD NOT BE CONSTRUED AS LEGAL ADVICE ON ANY SPECIFIC MATTER, AND ITS CONTENTS ARE INTENDED AS A MANAGEMENT ALERT AS TO CURRENT DEVELOPMENTS IN VENEZUELA. ANY SPECIFIC LEGAL QUESTIONS REGARDING THE POSSIBLE APPLICATION OF NEW OR PROPOSED LEGISLATION TO PARTICULAR SITUATIONS SHOULD BE ADDRESSED TO TRAVIESO EVANS ARRIA RENGEL & PAZ.