



THE UNIVERSITY OF THE WEST INDIES, MONA
OFFICE OF THE CAMPUS REGISTRAR
HUMAN RESOURCE MANAGEMENT DIVISION

DID YOU KNOW ?

Taxes affect all of us! Here are some of the important facts on tax:



What are the various statutory deductions taken from gross emoluments?

- Income Tax (PAYE) – **25%** of Taxable Earnings
- National Housing Trust (NHT) – **2%** of Gross Earning
- Education Tax (ED Tax) – **2%** of gross emoluments after NIS & Superann, FSSU is deducted
- National Insurance Scheme (NIS) – **2.5%** of Total Gross up to \$1mil.

Who pay Statutory Deductions (Taxes) ?

- Taxes are paid by everyone who is earning a salary or emoluments. This includes regular Full Time employed persons, Part-time employed persons, Holiday Workers, Casual Workers, Pensioners, , persons on Contract for Services or Fixed Term contracts
- **Student Workers / Assistants** - receives an accumulative amount (threshold) which is tax-free as at date of employment. This does not apply to students doing evening or part-time work outside the normal holiday times – in this period 25% tax applies. Normal holiday period is June – August.

Who is Exempt from paying Income (PAYE) Taxes?

- Expatriates from the US and UK (for 2 years)
- Persons with Disability (Mental and Physical) – these persons must be registered with the relevant councils, i.e. Jamaica Council for Persons with disability or Jamaica Council for the handicapped
- Pensioners receives an additional exempt amount which is added to the tax threshold which is not taxed.

Why is it important to pay NIS, NHT & ED Tax taxes and how does it benefit the tax payer?

- Taxes paid to National Housing Trust (NHT) goes into a pool which contributors can benefit from for loans for purchase of a house, land, home improving etc, at relatively low interest rates
- Taxes to the National Insurance Scheme (NIS) also goes into a fund which contributors benefit from after retirement. This is popularly known as NIS pension.
- Education tax (ED Tax) is used to assist with expenditure relating to educational development and infrastructure for all to benefit from.

Did you know that you need to ensure that the HR department has your correct NIS # and TRN # ?

You may visit: www.jamaicatax.gov.jm for more information

LOOK OUT FOR NEXT MONTH'S EDITION OF "DID YOU KNOW"