

Jamaica

1. Government requirements

Registration requirements

Tax Registration Number (TRN)

In accordance with the Income Tax Act, companies that will be conducting business within Jamaica are required to register with the Tax Administration Jamaica (TAJ) to obtain a Tax Registration Number (TRN). Companies can visit the TAJ website (www.jamaicatax.gov.jm) to apply for the TRN online. To complete the application, companies should log in to TAJ's Web Portal, select the "Apply for a TRN" option under the e-services home page, and follow the instructions thereafter.

National Insurance Scheme (NIS) number

In accordance with the National Insurance Act, companies that will be conducting business within Jamaica are required to register with the Ministry of Labour and Social Security to obtain a National Insurance Scheme (NIS) number. Companies should download the employer registration application form from the Ministry of Labour and Social Security's website at <https://mlss.gov.jm/departments/national-insurance-scheme>, and follow the instructions that are provided on the website.

The TRN and NIS numbers are required by companies for the filing of payroll tax returns and for other business that they need to conduct with Tax Administration Jamaica.

There are no application fees for the TRN and NIS numbers.

Ongoing compliance requirements

Employers are required to submit online an Employer's Monthly Remittance (Form S01) and an Employer's Annual Return (Form S02) for deductions relating to the following tax types for all employees.

- Pay-As-You-Earn (PAYE)
- National Housing Trust (NHT)
- National Insurance (NIS)
- Education Tax (Ed. Tax)
- Human Employment and Resource Training (HEART)

Payment arrangements for payroll taxes are done monthly either online or directly at a tax office. There are no additional payment requirements that are associated with the online filing of the Form S02. However, the employer is required to make payment arrangements monthly at the time when they file the Forms S01 online. Where at the time of filing the Form S02, it is noted that there is an underpayment of tax, the employer should settle the shortfall promptly.

Pay-As-You-Earn (PAYE)

PAYE (Income Tax) is payable at the following rates, based on the Income Tax Act.

Annual statutory income	Tax rate
Up to JMD1,500,096 (applicable to Jamaican residents)	0%
JMD1,500,096 and up to JMD6,000,000	25%
Above JMD6,000,000	30%

National Housing Trust (NHT)

NHT contributions are payable at the rate of 3% of gross income for the employer and 2% of gross income for the employee, based on the NHT Act.

National Insurance (NIS)

NIS contributions are payable at the rate of 3% of gross income for the employer and 3% of gross income for the employee, based on a maximum insurable wage ceiling of JMD3,000,000 per annum. The wage ceiling was JMD1,500,000 up to 31 March 2021 and it is expected to increase to JMD5,000,000 per annum effective 1 April 2022.

Education Tax (Ed. Tax)

Ed. Tax contributions are payable at rates of 3.5% of statutory income for the employer and 2.25% of statutory income for the employee, based on the Ed. Tax Act

Human Employment and Resource Training (HEART)

HEART contributions are payable at a rate of 3% of gross income only by the employer based on the HEART Act.

Similar tax rates apply for both local and foreign employees. There are income tax exemptions for certain employees e.g., diplomats, pensioners, etc.

2. Pension requirements

Registration requirements

The Income Tax Act states that ordinary annual contributions to an approved superannuation fund (approved by Tax Administration Jamaica) are generally tax deductible in computing an individual's taxable income, subject to the following:

- The employee's contribution shall not exceed 10% of annual remuneration.
- The employer's contribution with respect to an employee shall not exceed 10% of the employee's remuneration.
- Where the employer contributes less than 10% of the employee's remuneration, the employee may contribute the difference between the employer's actual contribution and the maximum contribution payable by the employer.

Ongoing compliance requirements

Refer to comments above.

3. Employment obligations

This information would have to be obtained from an expert (such as an attorney) who advises about labor law in Jamaica.

4. Payroll requirements

The Income Tax Act requires monthly tax reporting via the PAYE system.

Employers are required to keep records of payments and deductions either on a tax deduction card or in another form (e.g., payroll register) as may be authorized. On the last day of each year, employers should provide each employee with a certificate showing their gross emoluments and the tax deducted for that year. Payslips should also be provided to employees weekly, monthly or bi-monthly whenever payment occurs.

5. Banking requirements

Employers can pay employees by check, cash or bank transfer.

The payment requirements and restrictions may vary, depending on the financial institution.