



Jul - Sep 2016

RAiS Phase 3 Now Live
Refunds on Personal Income Tax
Customer Feedback
TCC Online

Changing the way we do business

From: Commissioner General
To: Our Valued Stakeholders

In keeping with the strategic focus for the 2016/2017 fiscal year and to continue to improve our operations of Service, Education and Enforcement we have successfully rolled out the third and final phase of our Revenue Administration Information System (RAiS) effective September 5, 2016. RAiS has been designed to improve TAJ's administrative efficiency and also offers access to a wider range of online services.

We will use RAiS and other strategies in continuing our risk based approach to compliance. This will allow us to remain on a path to building on the gains made in meeting our revenue collections target and further improving ease of doing business.

As we approach the beginning of the 3rd quarter we will also continue to finalize our transition to a new governance structure as a semi-autonomous revenue authority (SARA).

As we change the way we do business, we are committed to engaging with our stakeholders to ensure that you are informed of changes and to get your feedback on how to do business with us as well as improved services.

We will therefore continue to administer our tax and administrative reform measures through our September Agenda and beyond and continue to engage our stakeholders through various activities across the island.

We also ask that you our Stakeholders continue to work with us as we continue to change the way we do business in order to serve you EVEN better.

Ainsley Powell
 Commissioner General

TAJ Goes Live with Additional Online Services



On September 5, 2016 Tax Administration Jamaica (TAJ) successfully implemented phase three of its Revenue Administration Information System (RAiS). This now completes the two year project to improve the tax administration system as well as provide value added services to taxpayers with greater convenience and improved customer service delivery. This latest phase of the rollout involves the addition of Stamp Duty and Transfer Tax, Withholding Taxes, Environmental Protection Levy, Betting Gaming and Lottery Taxes and Trade and Business Licences to its suite of online services.

Stamp Duty and Transfer Tax

Persons will now be able to make payments for this tax type at any tax office island wide, while document processing will continue to be done at three locations:

1. Stamp Office, Harbour Street
2. May Pen Tax Office, and
3. Montego Bay Revenue Service Centre

As part of the service enhancement through the RAiS platform, the stamping of documents with a vermilion stamp will now be replaced with the use of a barcode endorser. This means that the validation of these documents will be done online.

Withholding Taxes

In respect of withholding taxes, these will all be managed via the RAiS platform, with a wider range of eServices now becoming available to taxpayers.

The specific changes include a return form being required for all withholding tax types, such as:

- ⇒ Interest
- ⇒ dividends
- ⇒ contractors' levy
- ⇒ withholding tax on specified services
- ⇒ management fees
- ⇒ Royalty, and
- ⇒ other miscellaneous taxes withheld at source.

This now means that, taxpayers will be able to file all withholding tax returns and pay their balances as well generate and/or claim withholding certificates from their online account.

Additionally, prescribed persons will no longer be required to file a withholding tax on interest quarterly return, as the RAiS will be able to process the quarterly refund, based on the filing of the monthly returns.



DONALD SANGSTER BUILDING CLOSED FOR REFURBISHING

The Donald Sangster Building (The Round Building), located at 116 East Street, Kingston is currently closed for major refurbishing. The sections previously housed on that building, including the Refunds Unit, have all been relocated to other locations. The project is scheduled to last for ten (10) months.

REFUNDS DECENTRALISED

As of Monday July 25, 2016, TAJ's refunds operations have been expanded and can now be accessed at the King Street and Spanish Town tax offices. This is in addition to the refunds services recently made available at the Constant Spring location. These moves complete the first phase in the decentralizing of the service. The long term plan is to make refunds services available at other locations island-wide for the convenience of the public. Taxpayers are being reminded that GCT returns for which refunds are being claimed, must continue be filed online at www.jamaicatax.gov.jm.

TAJ STAYS ON TARGET

Preliminary reports for August 2016 show that TAJ remains on track with its revenue collections targets for 2016-17.

... Additional Online Services (cont'd)

NOTE:

Stakeholders in the financial sector who are required to file a monthly withholding tax on Interest return (IT08) are advised that the last quarterly (IT09) return to be filed is for the quarter July to September 2016, which is due in October. Thereafter, RAIS will automatically generate the refund request after the end of each quarter.

Betting, Gaming and Lotteries Taxes

It should be noted that adjustments will be made to how Racing, Lotteries, and Sports Betting and Gaming are administered. As a result of the changes, the following will be implemented:

- ⇒ Persons in the BGL industry will be required to file returns based on due date.
- ⇒ The weekly submission of returns will be standardized.
- ⇒ Penalty will be charged for late payment.
- ⇒ Demand Notices will be sent for outstanding amounts.

Trade and Business Licenses

The September 5 rollout of RAIS3 will also see Trade and Business Licences being managed through the new system. Resulting from the change, an Application/Return will be required when applying for a Trade Licence. In the event that a taxpayer does not apply for a renewal, an assessment will automatically be generated from the system.

Stakeholder Engagements

To prepare staff for the new implementation, training has been conducted for over 900 personnel, including Auditors and Compliance Officers.

Additionally, stakeholder engagements have been held with:

- ⇒ Incorporated Masterbuilders Association of Jamaica (IMAJ),
- ⇒ Jamaica Bankers Association,
- ⇒ Jamaica Stock Exchange,
- ⇒ Jamaica Bar Association and its Conveyancing Committee
- ⇒ Cornwall Bar Association
- ⇒ and other interest groups .

Discussions have also been held with the National Land Agency (NLA), Betting Gaming and Lotteries Commission, Ministry of Local Government, Administrator General's Department, the Chief Justice and other representatives of the Courts of Jamaica, as well as several other intergovernmental partners, as TAJ took on board the feedback of various interest groups to inform the smooth implementation of the new online tax services

Guidance

The TAJ Team will be available for eOne-on-One sessions or Tax Advisory Visits.

Our resource teams are also available to participate in seminars, workshops or presentations on the RAIS changes at the invitation of persons across the island.

Persons may also contact our Customer Care Centre at 1-888-Tax-Help (1-888-829-4357) where our Agents will be happy to assist you with using the new features of RAIS and to register you for eServices, if you are not already registered to do so.

Visit the RAIS Information Hub on the Tax Administration Jamaica Website @ www.jamaicatax.gov.jm for more information, forms, PPT presentations, "How To" documents, news releases.





The following provides clarity on the treatment of refunds due to employees as a result of the increase in the Income Tax (IT) Threshold as at July 1, 2016.

The increase in the IT Threshold from \$592,800 to \$1,000,272 on July 1, 2016 will result in a number of employees falling below the effective IT threshold of **\$796,536** which is calculated as follows:

Old Income Tax Threshold: \$592,800
Number of months in the year: 12
Number of months in 2016 for which the old Income Tax Threshold applied: 6

$$(\$592,800/12) \times 6 = \$296,400$$

New Income Tax Threshold: \$1,000,272
Number of months in the year: 12
Number of months in 2016 for which the new Income Tax Threshold applies: 6

$$(\$1,000,272/12) \times 6 = \$500,136$$

Effective Income Tax Threshold =

$$\$296,400 + \$500,136 = \$796,536$$

Who will benefit from a refund?

- ⇒ Employed Individuals who earned income at or below \$379,756 between January and July 2016 and will earn no more than \$19,236 per week, \$38,472 per fortnight or \$83,356 per month for the period July to December 2016;
- ⇒ Any Individual whose income is no more than \$796,536 for the year, who had paid income tax during the year.

How will the refund be made?

The Income Tax (Employment) Regulations 26 (4) states that if the total of the amounts which the employer was liable to repay during any income tax month, exceeds the total of the amounts which he was liable to deduct during that month; he shall be entitled to deduct the excess from any subsequent payment which he is liable to make to the Collector during the year or to recover it from the Commissioner General, TAJ.

The employer may repay the amounts to the employee and deduct the refund (the amounts to be repaid) from PAYE payments due to TAJ in the current period or any subsequent period within the calendar year.

Refunds are to be computed and paid periodically for example by comparing the cumulative income tax payable in period fourteen with the cumulative income tax payable in period thirteen. Where the cumulative income tax payable in period fourteen is less than the cumulative income tax payable in period thirteen, the employee must be refunded the difference.

Rational for Employers granting refunds prior to the end of the year.

- ⇒ The employer has full information on the earnings of the employee and is better able to determine the tax liability of the individual
- ⇒ The regulation requires the employer to repay any amount that has been over deducted within the year.

Individuals earning in excess of \$796,536 may see a refund, depending on the amount of tax deducted in the first six months.

After December 31, the employee who was not refunded shall

- ⇒ Obtain a P24 from the employer at the end of the year
- ⇒ Complete the IT05 Return using the RAIS Platform (online) and apply to TAJ for the refund.

When will the IT05 Form be required?

Employees who are entitled to a refund but has not been refunded by their employer by December 31 of the refund year, are required to file an IT05 return with TAJ in order to claim their refund. This may be due to the fact that the employer has no subsequent PAYE payment to be made to TAJ for the rest of that calendar year or has failed to pay the refund to the employee before the December 31st year end.

The use of the P45

Employees who leave an employment within the year should be given a P45 Form. The new employer, may make adjustments to the employee's records based on the information on the P45.

For example, an employee left an employment in June -during the six months period; the prorated threshold was \$296,400 and the taxes were appropriately applied. The new employer, in August may grant the additional threshold and adjust the taxes due for the rest of the year.

Where an employee, who was paying income tax on employment income, becomes unemployed within the year and has not gained any other employment, the employee is required to apply to TAJ for any refund that may be due six weeks after the date of termination using the IT05 return, accompanied by the form P45 issued by the employer. Where the unemployment arose as a result of redundancy, the IT05 return, the current year's P45 and form P24's for the three years preceding the year of termination must be submitted.

New Employment within the Year

The accumulated threshold may be granted where the employer is able to substantiate that the person did not work or carry on any business during the calendar year.

REPAYING THE REFUND



Example 1

An employer has 10 employees, 5 of - whom will fall below the threshold and will be due a refund of \$30, and 5 - above the threshold for whom the employer will be required to deduct and pay Income tax to the Collector of Taxes of \$80. The employer, using the S01, will be required to deduct the \$30 from the \$80 and pay over \$50 to the Collector of Taxes.

Example 2

An employer has 10 employees and all -employees - statutory income as at June 2016 - were above the effective threshold of \$296,400. However, as at July the statutory income fell below the accumulated threshold of \$379,756 and therefore the employees would no longer be required to pay income tax.

In this case, the employer will have no subsequent PAYE liability for the year from which to recover the amounts to be repaid to the employees.

These employers are asked to contact TAJ for a directive as to the way forward.

Customer Feedback

Tax Administration Jamaica (TAJ) recognizes that feedback from our customers is very critical to building relationships and improving customer satisfaction. We are therefore moving to review the current Customer Feedback System, which will seek to solicit both positive as well as negative feedback from customers.

The current feedback procedure that we encourage our valued customers is as follows:

Frontline

Engage the frontline officer, auditor, compliance or any other officer to try to have the matter resolved at the **first point of contact**.

If you are not satisfied, ask to speak with a **Supervisor or Manager** and have further discussions on the matter.

Supervisor

General Manager

Ask to speak with or write to the **General Manager or Assistant General Manager** in charge of the particular Revenue Service Centre, Tax or Business Office, if the matter needs to be escalated.

Head Office

If the matter is still unresolved you should then contact the **TAJ Head Office** outlining the circumstances.

Your concern will be investigated and we are committed to replying to you within fifteen (15) working days of the receipt of your written communication.

Commissioner General
Tax Administration Jamaica
Head Office, PCJ Building (4th floor)
36 Trafalgar Road, Kingston 10
Tel:(876) 906-2478
Fax:(876) 754-9593
Email: communications@taj.gov.jm

Cabinet Office

You may contact the **Cabinet Office** in the event that you are still dissatisfied with the level of service and/or suggested solutions received from Tax Administration Jamaica. Write or call the:

Modernization Programme Implementation Unit
Public Sector Transformation & Modernization Programme
Cabinet Office
2a Devon Road, Kingston 6
Tel:(876)920-8880-5; Fax:(876)929-0473
Email: michele.gordon-somers@cabinet.gov.jm

Complaints may also be forwarded to the **Office of the Public Defender**.

Public Defender

22-24 Duke Street,
Kingston
Tel:(876) 922-7089

We commit to improving customer satisfactions and look forward to hearing from you.



YOUR FEEDBACK IS IMPORTANT
Contact our Customer Care Centre
1-888-TAX-HELP (1-888-829-4357)
Facebook @jamaicatax
Twitter @jamaicatax



Do EVEN MORE!
VALUE ADDED ONLINE SERVICES
1-888-TAX-HELP (829-4357)
www.jamaicatax.gov.jm



Applying for an **e-Services Account**

To conduct business via the TAJ e-Services, such as making a tax payment, filing a return or making an inquiry, taxpayers **MUST** be registered for a TAJ e-Services Account. Note: Taxpayers **MUST** first logon to the TAJ Website at www.jamaicatax.gov.jm.

STEP 1

Select the **"Apply for an e-Services Account"** hyperlink from the e-Services home page.

STEP 2

Review the **e-Registration** page about the service, what will be needed, and what to expect at the end of the process.

STEP 3

Select the **Accounts Detail** and enter the required information based on selecting individual or organization button.

STEP 4

Move to **Security Questions** page and enter information. Note: The security questions for Individuals are different from those of Organizations, and are randomly generated.

STEP 5

Move to the **Account Manager Details** and enter information and upload required attachments.

STEP 6

Review **Summary** of information entered then click Submit, if okay. A confirmation page will appear. Record the code or print page.

BUSINESS PERSONS

The following taxes are due:

SEPTEMBER 15

- ✓ **Estimated Corporate Income Tax** (3rd Quarter)
- ✓ **Self Employed Statutory Payments** (3rd Quarter S03)
- ✓ **Minimum Business Tax** (2nd Half)

Pay online, ontime **avoid penalties and interest**

WWW.JAMAICATAX.GOV.JM

1-888-TAX-HELP (829-4357)

Working together to serve you **EVEN** better



www.jamaicatax.gov.jm

Strata Property Owners We've made it easier
Check your property tax balance and pay online.



Tax Compliance Certificates - ONLINE

Tired of having to visit the the NHT and the NIS Offices to get a clearance letter and then having to take it to the Tax Office to get a Tax Compliance Certificate (TCC) Letter? With the implementation of the TAJ Revenue Administration Information System (RAiS), services relating to TCC have become easier. Persons are now able to submit their applications online and to validate the document via the TAJ web service.

APPLYING ONLINE FOR A TCC

To apply online for a TCC you have to be registered for TAJ eServices. This can be done online, inline or by contacting our Customer Care Centre 1-888-TAX-HELP (1-888-829-4357).

Once you have an eServices Account you can go ahead and apply for a TCC online following these easy steps:

1. Log on to the TAJ website at www.jamaicatax.gov.jm and select 'Manage My e-Services Account'.
2. Select 'Other Service'
3. Select 'Apply for Tax Compliance Certificate'
4. Select 'Next' after reading instructions.
5. Select the appropriate item to indicate whether or not the TCC is for a **First Time Applicant or Repeat Applicant**. Also select the category in which the applicant falls, from the options.
6. Select the appropriate reason from the 'certificate is required for' list. Add any additional information that

you think may be pertinent to this application in the field for 'Additional Information'.

7. Add copies of applicable supporting documents and clearance letters, if applicable, then select add.
8. Select the **type of document**— add description— select file for upload from your computer — select 'Save' to complete upload of file.
9. Enter contact telephone and email address then select submit.
10. Read information displayed, then select 'OK' to complete submission.

The Tax Compliance request will be processed by TAJ. An email will be sent to the email address associated with the e-service login. The applicant MAY be required to visit the nearest Tax Office with the original supporting documents or for an interview before the TCC Process can be completed. Contact will be made if this is required.

A 'Tax Compliance Letter' or a 'Tax Compliance Rejection Letter' will be sent to the customer's TAJ eServices Account.

Sample Tax Compliance Letter

Reply To: Commissioner General
St. Andrew RSC
101 Constant Spring Road
Kingston 9
St. Andrew
Jamaica, W.I.
Tel: 969-0000-9 / Digi 619 1111
Fax: 931-9194

Reference No: L112540042 Date: 23-Nov-2015

Tax Compliance Letter

TRAVEL DOT
23 POLY STREET
KINGSTON 7
ST. ANDREW, JAMAICA

TRN: 999-998-117

Tax Compliance Number: 15000943

Dear Customer,

Your application for Tax Compliance Certificate has been approved for the TRN mentioned above and all its branches, where applicable.

To access and validate the TCC details, please visit our website at www.jamaicatax.gov.jm and use our e-services search and validation facility.

Yours truly,

Michael Johnson ES
for Commissioner General

VALIDATING A TCC LETTER

It is simple process to validate a TCC Letter online, using the RAiS platform. To do this, first logon to the TAJ website at www.jamaicatax.gov.jm, by entering your username and password. Once you have logged follow these simple steps:

1. Select the Non Logon Validation Services link.
2. Select the Tax Compliance Certificate in the dropped down menu in the I Want To Search For field.
3. Enter the TRN and TCC numbers from the TCC Letter
4. View information in relation to the TCC issued.

If it is a valid TCC the results will show the following information:

- ⇒ TCC Number
- ⇒ Type
- ⇒ Date Issued
- ⇒ Expiry Date
- ⇒ Reason/purpose
- ⇒ Name
- ⇒ Name Type (Business/Company)
- ⇒ TRN/Branch

NB. TCC's now being issued to a customer is also applicable to all branches registered as a part of that customer's Taxpayer Registration Number (TRN) information.

Persons may get assistance with applying for or validating a TCC online by contacting the TAJ Customer Care Centre at 1-888-TAX-HELP (1-888-829-4357) or reviewing the HOW TO guides on the TAJ Website at www.jamaicatax.gov.jm.

TAJ Out & About



Richard Palmer, Senior Technical Specialist at a sensitization session for Personal Income Tax in Montego Bay - July 2016



TAJ Information Booth at JBDC Mobile Biz Clinic in Emancipation Park - July 2016



Personal Income Tax Session for Large Taxpayers - July 2016



Stakeholder engagement with the Cornwall Bar Association on RAIS phase 3 - August 2016.



Tax Spot set up for free consultation for 200+ accountants at ICAJ Taxation Seminar - September 2016



Ainsley Powell, Commissioner General TAJ meets with Jamaica Chamber of Commerce - September 2016

Tax Compliance Check List



- Know ALL tax filing/payment dates
- Register, file, pay, report accurately/on time
- Think "TAX" in planning & forecasting
- Keep records for minimum 6 years
- Request/review statement of account/notices
- Speak with a Compliance Officer if you receive a tax notice or have a difficulty meeting obligations
- Refer unresolved matters to General Managers RSC or Collector in Charge.

Schools Tax Education Programme



Taxpayer Education Officer talks with students at a recent expo.

In September TAJ will resume its **Schools Tax Education Programme (STEP)**. This outreach programme, which runs from September to March each year, is used to introduce students at the primary, secondary and tertiary levels to relevant tax issues.

The objectives of the **STEP** are to:

- ⇒ Educate youth about the importance of taxes to national development i.e. social services and amenities
- ⇒ Foster a culture of tax-paying from an early age
- ⇒ Encourage civic duty and responsibility
- ⇒ Build a culture of tax compliance among the nation's youth

The **STEP** is customized to suit each target group, based on age and grade levels of the students. In primary schools there is a more interactive approach, using a specially created Activity Booklet and a short video called 'Why Tax'. Creativity is also encouraged by them developing tax jingles/poems, etc.

At the secondary and tertiary levels, PowerPoint presentations, which focus on Tax Administration, the types of taxes and why taxes are necessary, are used. A 'School Leavers' brochure is also available. Career Expos and large-scale seminars are also organized to outline the principles of tax and tax career opportunities.

TAJ STEPs into the future.



Tax Administration Jamaica

RAiS

We are
NOW LIVE!

RAiS Phase 3 All Online
visit www.jamaicatax.gov.jm

Do **EVEN** more 

- ✓ Stamp Duty and Transfer Tax
- ✓ Withholding Taxes
- ✓ Trade and Business Licences
- ✓ Betting, Gaming and Lotteries
- ✓ Environment Protection Levy
- ✓ Contractors Levy



OR MORE INFORMATION:

Call 1- 888 - TAX - HELP (829- 4357) or 1- 888 - GO-JA-TAX (465-2829)

Website: www.jamaicatax.gov.jm Facebook: www.facebook.com/jamaicatax

Twitter: @jamaicatax or visit the Tax Office nearest you.

September AGENDA

The TAJ team has been involved in several stakeholder engagements during the quarter, as we continue to build partnerships with valued stakeholders.

Some activities on the calendar are:

September 8

*Jamaica Employers Federation
Payroll Seminar
JEF Head Quarters*

September 10

*Parish Chambers Quarterly
Meeting
Montego Bay Cultural Centre,
Sam Sharpe Square*

September 14

*Jamaica Chamber of Commerce
members meeting
JCC Secretariat*

September 15

*ICAJ Taxation Seminar
Jamaica Pegasus*

September 22

*BGLC Summit
Jamaica Conference Centre*

September 23

*Pensioners Information Forum
Errol Flynn Marina, Portland*

September 26

*CAPRI Report Launch and
Discussion on Greater Tax
Compliance
Knutsford Court Hotel*

FOR MORE INFORMATION

Tax Administration Jamaica (TAJ) would be pleased to provide you with more information about our programmes, projects, time lines, plans and contract opportunities. If you are interested, please contact:

Communications Unit

PCJ Building (4th Floor), 36 Trafalgar Road,
Kingston 10, Jamaica, W.I.,

CUG: 839-9417, Tel.: 922-8742, Fax: 754-9593, email: communications@taj.gov.jm

We will continue to engage our stakeholders in discussions and provide regular updates.