

NOTICE TO EMPLOYERS

EXTRACTS FROM THE RULES GOVERNING THE PAYMENT OF INCOME TAX AND FROM THE INCOME TAX ACT

Rules- Section 5(1) reads,

“Every person paying emoluments at any time in a year shall deduct or withhold there from such amount as is prescribed and shall, at such time as is prescribed, remit that amount to the Commissioner on account of the payee’s tax for the year.”

Rules- Section 11(1) reads in part,

“Amounts deducted and withheld under the provisions of sub-section (1) of Section 5 shall be paid to the Commissioner on or before the tenth day of the month next succeeding the month in which the employer paid the emoluments.”

Rules-Section 12 (3) reads,

“Where an amount has been deducted from the emoluments of an employee under these rules but has not been remitted to the Commissioner, such amount shall be kept separate and apart from all other monies in his possession and shall be deemed to be held in trust for the Government”

Act- Section 96 reads in part,

(1) Every employer who fails to deduct and remit an amount from the emoluments of an employee as and when required under these Rules is liable to pay the Commissioner the whole amount that should have been deducted and remitted from the time it should have been deducted.”

(2) “Every employer who fails to remit to the Commissioner the total amount that he was required to remit at the time when he was required to do so is liable to a penalty of 10% of the amount that he failed so to remit or \$10, whichever is the greater and in addition shall be liable to pay on the amount not remitted the surcharge prescribed by Section 55.

Act-Section 86 reads,

“Every person who is guilty of an offence against the Act for which no punishment is herein specified shall be liable to summary conviction to a fine not exceeding five hundred dollars and in default of payment to imprisonment with or without hard labour for any term not exceeding six months.

Act-Section 87 reads,

“Every person who has failed to make a return as and when required by clause (1) of Rule 4 or by clause (2) Of Rule 14 of the Rules Governing the Payment of Income Tax being Statutory Instrument No. 52 of 1970, or by Section 87 of this Act shall be liable to a penalty of five dollars a day for each day of default but not exceeding one thousand dollars.