



Issue 4: April 12, 2020

COVID-19

EMPLOYMENT LAW GUIDANCE TO EMPLOYERS: COVID 19 PANDEMIC

On Thursday April 9, 2020 applications opened to access the Covid Allocation of Resources for Employees (CARE) programme previously announced by Minister of Finance and the Public Service, The Hon. Nigel Clarke, DPhil. M.P. in his presentation to Parliament, closing the 2020/21 Budget Debate. To facilitate the implementation of the programme, amendments were made to the Income Tax (Employments) Regulations and The Income Tax (Prescribed Forms) Order were both amended by The Income Tax (Employments) (Amendment) Regulations, 2020 and The Income Tax (Prescribed Forms) (Amendment) Order, 2020, as well as The Income Tax (Prescribed Forms) (Amendment) (No. 2) Order, 2020 respectively. The relevant provisions of these amendments are noted below.

The following data is being provided as generic guidance to employers with respect to employment related issues. This information does not constitute legal advice; should you require legal advice, please contact
Carla-Anne Harris-Roper
at croper@employmentmatterscaribbean.com
You can also visit us at www.employmentmatterscaribbean.com

THE INCOME TAX (EMPLOYMENTS) (AMENDMENT) REGULATIONS, 2020

A new Regulation 24A has been inserted which mandates the employer to no later than the first usual pay day on which no emoluments is paid to the employee, provide the Tax Administration Jamaica a prescribed certificate (P45). The provision of the P45 in this instance should be done because the employee is laid off without pay as defined by Section 5A (3) of the Employment (Termination and Redundancy) Act due to force majeure or Acts of God.

The employer must also make two copies of the P45 and deliver the copies to the employee on the day on which the employee is laid off without pay.

THE INCOME TAX (PRESCRIBED FORMS) (AMENDMENT) ORDER, 2020

This amendment adjusts the SO1 Form to include a Schedule which must be completed to capture details related to emoluments, deductions and PAYE taxes and statutory contributions for all employees. This will assist in the verification process to facilitate implementation of the CARE programme.

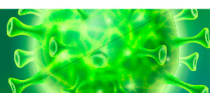
THE INCOME TAX (PRESCRIBED FORMS) (AMENDMENT) ORDER, 2020

In this Order, the prescribed form (P45) has been amended to include the manner in which the employee is separated from employment. It now provides that the employer should advise if the separation is temporary

(as in the case of lay-off) or permanent (as in the cases where the employment has ceased completely via redundancy, resignation, dismissal etc.)

This change in the Form is designed to assist in the verification process to facilitate implementation of the COVID CARE programme.

Employers are encouraged commence using the changed forms as quickly as possible so that their employees will be able to access the applicable CARE programme as they seek to navigate to challenges brought on by the pandemic at this time.





PARTICULARS OF EMPLOYEE LEAVING

Section A: GENERAL INFORMATION

1. Name	2. Taxpayer Registration Number (TRN)	3. NIS Number
4. Address	5. Nature of Employment	6. Date of Leaving
7. Nature of Separation (Tick Appropriate Box): <input type="checkbox"/> Temporary <input type="checkbox"/> Permanent		

Section B: PAYMENTS AND DEDUCTIONS

1. Payment Frequency (Weekly/Fortnightly/Monthly) Threshold utilized to date

Week Fortnightly Monthly 2

3. Indicate whether week 1/month 1 basis applies: Yes No

4. Number of weeks and months in employment since January 01. Week(s) Month(s)

Total Gross Pay to date (Less Redundancy Payment) 5

Redundancy Payment not included in Gross Pay 6

Perquisites 7

Deductions

Total NIS deducted to date (since Jan 1)	8
Total Superannuation deducted to date (since Jan 1)	9
Total Approved Expenses deducted to date (since Jan 1)	10
Total NHT deducted to date (since Jan 1).	11
Total Ed Tax deducted to date (since Jan 1).	12
Total PAYE Tax deducted to date (since Jan 1).	13

Total Deductions 14

Last Entries on Tax Deduction Card (week 1 or month 1 basis applies).

Total Gross Pay less National Insurance and Superannuation	15
Tax Deducted in this employment 	16

Section C: DECLARATION I certify that the particulars given on this form are correct.

Employer

Address

Date

INSTRUCTIONS FOR EMPLOYER

- Complete this Part of the form in full when the employee leaves.
- If you have been specially directed to deduct tax each week (or month) indicate same at Line 3, and complete Lines 15 to 16.
- In the case of an employee engaged during the year, include in items 5 to 13 the pay and tax notified to you in respect of previous employments.
- Hand Parts 2 & 3 to the employee when he leaves.

OFFICIAL USE



EMPLOYEE LEAVING COPY OF EMPLOYER'S CERTIFICATE

Section A: GENERAL INFORMATION

1. Name	2. Taxpayer Registration Number (TRN)	3. NIS Number
4. Address	5. Nature of Employment	6. Date of Leaving
7. Nature of Separation (Tick Appropriate Box): <input type="checkbox"/> Temporary <input type="checkbox"/> Permanent		

Section B: PAYMENTS AND DEDUCTIONS

1. Payment Frequency (Weekly/Fortnightly/Monthly) Threshold utilized to date

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Total Deductions 14

Last Entries on Tax Deduction Card (week 1 or month 1 basis applies).

Total Gross Pay less National Insurance and Superannuation	15	
Tax Deducted in this employment	16	

Section C: DECLARATION I certify that the particulars given on this form are correct._____
Employer_____
Address_____
Date**INSTRUCTIONS FOR EMPLOYEE**

Give both parts of this form to your new Employer



PARTICULARS OF EMPLOYEE LEAVING

Section A: GENERAL INFORMATION

1. Name, 2. Taxpayer Registration Number (TRN), 3. NIS Number, 4. Address, 5. Nature of Employment, 6. Date of Leaving, 7. Nature of Separation (Temporary/Permanent)

Section B: PAYMENTS AND DEDUCTIONS

1. Payment Frequency, Threshold utilized to date, 3. Indicate whether week 1/month 1 basis applies, 4. Number of weeks and months in employment, Total Gross Pay, Redundancy Payment, Perquisites, Deductions (NIS, Superannuation, Expenses, NHT, Ed Tax, PAYE Tax), Total Deductions

INSTRUCTIONS FOR NEW EMPLOYER

The new Employer should complete the following items and forward this form immediately to the Tax Administration Jamaica

PARTICULARS OF NEW EMPLOYER

Private Address of Employee, Date Employment Commenced, Branch/Department, Nature of Employment, Rate of Salary, Annual Superannuation, Perquisites

DECLARATION

I have prepared A* tax deduction card in accordance with the particulars given above.

Employer, Address, Date

* STATE WHETHER "WEEKLY" OR "MONTHLY"