

**I am attending university—will I have to pay tax on my holiday earnings?**

This depends on your total taxable income for the tax year. If this is likely to be less than the threshold, apply to the Taxpayer Audit & Assessment Department through your employer for you to be paid without tax being deducted.

*Any student grant or scholarship you receive is not treated as taxable income.*

Remember that to transact business with any revenue office, obtain a driver's licence or to get a student loan you will need to get a Taxpayer Registration Number (TRN). You may register for a TRN at any Revenue Service Centre, Collectorate (Tax Office) or at the Taxpayer Registration Centre.



**Am I expected to file a return as an employee?**

**No.** Once you are an employee, your employers are responsible for deducting the tax from your emoluments (salary, wages, fees, bonus, etc.), and remit same and file the returns.

**If I set up my own business am I responsible for filing returns?**

**Yes.** All self employed persons, companies and partnerships are responsible for filing their statutory returns that is NIS, NHT, Education Tax, Income tax and HEART on their due dates.

**For more information contact :-  
The Tax Help Unit  
The Office Centre Building  
12 Ocean Boulevard (1st Floor Annex)  
Kingston  
Phone: 922-7161/7138  
Fax: 967-9083**



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**Website :** [www.jamaicatax.gov.jm](http://www.jamaicatax.gov.jm) or  
[www.jamaicatax-online.gov.jm](http://www.jamaicatax-online.gov.jm)

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**Income Tax  
&  
School  
Leavers**



Together we contribute to  
Jamaica's development

**1-888-TAX-HELP**

# School Leavers



After graduation, what's next?

**Freedom at last! Or is it? Remember, with freedom comes responsibility. After you leave school, taxation becomes a reality.**

**This is an important phase in your life when you will have an income of your own for the first time in your life.**

**This brochure looks at how income is taxed and how it may affect you.**

## GENERAL INFORMATION

### What is Tax?

It is the government's way of raising money to spend for the common good. Wherever it comes from—PAYE (Pay As You Earn), GCT (General Consumption Tax), Income Tax, Customs Duties. It pays for services like health, welfare, education and defense.

### What is Income Tax?

This is tax paid on income earned once the individual earns or receives over a certain amount in the tax year.

### What income is taxable?

The most common forms are :

- Pay and other earnings from work including bonuses, commissions and fees.
- Profits from a business
- Interest from savings
- Dividends from shares in companies



Call 1-888-829-4357/TAX HELP

### Do I pay tax on all I earn?

No. As of July 1, 2005 every resident is entitled to a tax free income of \$169,104. This is called the Income Tax threshold. Only income above that amount is taxable at 25%. For the year 2005 the total threshold is \$144,768. For the year 2006 - \$193,440

*Companies do not receive a threshold and are taxed at a rate of 33 1/3%.*

### When do I start to pay Income Tax?

Once your salary/income exceeds the threshold, on a weekly, fortnightly or monthly basis, tax will be deducted whenever you are paid.

### How do I know that I have paid the right amount of tax?

It is quite simple to check your own tax payment. Subtract the NIS and any other allowable deductions (e.g. ESOP and/or approved superannuation,) from your gross pay. Then apply the threshold, the balance will be taxed at 25%.

If you have paid too much tax, you should submit a return (IT05) with a P24 from your employer and apply for a refund; if too little, you should file a return showing the additional amount or an additional assessment will be raised by the Department.