



Interpretations, Rulings & Opinions Committee Paper  
IROC Paper. (Volume 2 Issue 1, Issued 2002, April.)

**RE: DIRECTOR’S FEES**

All employers are reminded that amounts paid to Directors as *Director’s Fees*, fall in the category of emoluments (as these individuals are holders of office) and are therefore subject to deduction of income tax, (at the current rate of tax twenty-five percent [25%]) and where these Directors are employed to the companies (organizations) that they are members of the board are subject also to other statutory deductions.

A travelling allowance may be paid without the deduction of tax. However, in determining the amount to be paid, consideration must be given to the scope of travelling, that is, where and how often the directors have to travel in the performance of their duties.

Approval should be obtained from the Commissioner (TAAD) for the payment of this non-taxable amount.

**This supersedes our previous bulletin dated April 2002.**