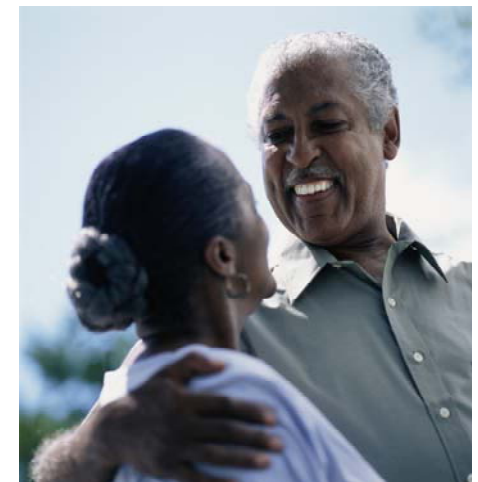


Income Tax and Pensioners



*Working together
to serve you better*

4. Refund For Withholding Tax

If at the end of any calendar year you have overpaid your taxes, you may apply in writing for a refund to the:

**Refunds Unit
c/o Taxpayer Audit &
Assessment Dept.
116 East Street
Kingston**

Where your income includes business profits **Form IT01** is to be completed, instead of the **IT05**.

Documents to be submitted are:

- Taxpayer Registration Number (TRN)
- Proof of age
- Certificates showing Pension (P24) for each Year of Assessment.
- Withholding tax certificates showing total interest earned and tax deducted (if any) for each of the claim from Prescribed Persons e.g. Banks, Building Societies, and any institutions operating under the Financial Institutions Act.
- Documentary proof of any other source of income for each year of claim.



Aaaahhh finally...retirement ! No more punching the old time clock, no more 9 - 5 ! It's your time now to do whatever you want, whenever you want. As a retiree, pensioner and/or golden-ager there are certain benefits to which you are entitled based on your new status. This brochure will help you to understand what your benefits are to ensure that you pay your fair share ... no more, no less !

1. Income Sources

Examples of possible income sources:-

- Pension
- Bank Interest
- Dividends
- Rent
- Farming
- Fees/Commissions
- Business Profits
- Employment



N.B. Pensioners who are residents in Jamaica for a period totaling 6 months or more, must include/declare all income earned from other countries (World Income). World Income includes all income earned by persons resident in Jamaica from all sources outside Jamaica (subject to applicable credits).

2. Exemption For Pensioners & Golden Agers

The following exemptions apply in the circumstances outlined below:

- Persons under 55 years old, who receive a Pension from a Statutory Pension Scheme

Scheme are entitled to the tax exemption amount of **\$62,500.00** (2009) against that Pension income only.

\$270,504.00 Threshold (2009)
TOTAL \$334,004.00

- Persons 55 years and over, who receive a Pension from a Statutory Pension Scheme or an Approved Superannuation Scheme are entitled to a tax exemption amount of **\$62,500.00** (2009) from that Pension income and any other source of income.

\$62,500.00 Pensioners Exemption
\$270,504.00 Threshold (2009)
TOTAL \$333,004.00

- Pensioners who are 65 years and over, are entitled to an exemption of **\$62,500.00** for age relief (2009) & \$62,500.00 Pensioners Relief

\$62,500.00 Pensioners Exemption
 i. \$62,500.00 Age Relief
 ii. **\$270,504.00 Threshold (2009)**

TOTAL \$395,504.00

- 2010 Pension exemption - \$80,000.
- 2010 Age exemption - \$80,000.

NOTE CAREFULLY:

If you are not a Pensioner, but you are 65 years and over, you are entitled to the age relief of \$62,500.00 as well as the threshold of \$270,504 (2009)

Non-resident Pensioners are entitled to the exemptions, but not the threshold.

3. Withholding Tax

(Tax on Income imposed at source)

Documents required for application :-

- Taxpayer Registration Number (TRN)
- Proof of age (Birth Certificate, Golden Ager ID Card, Passport, Driver's Licence)
- Proof of Pensioner's current pension slip, stub or receipt
- Documentary proof of any other source of interest including interest income. (Certificates are usually supplied by the Banks)
- Name and address of bank (s) and all account numbers.
- Complete **P01 Exemption Form.- PAYE Application For The Determination Of Exemption & Expenses.**

Applications for the exemption from

Withholding Tax are to be submitted to:

**Refunds Unit
 Taxpayer Audit & Assessment Dept.
 Donald Sangster Building
 116 East Street
 Kingston**

HAVE A QUESTION? CALL
 1-888-TAXHELP

