

THE EDUCATION TAX ACT

ARRANGEMENT OF SECTIONS

1. Short title.
2. Interpretation.
3. Categories of taxpayers.
4. Imposition of education tax.
5. Income tax effects of this Act.
6. Liability of employer to pay tax due from employed persons.
7. Exemption.
8. Treatment of education tax paid by employer for purposes of income tax.
9. Employer failing to pay tax.
10. Power of Minister to remit education tax.
11. Designation of responsible officer by bodies corporate.
12. Offences and penalties.
- 12A. Late filing penalty.
- 12B. Power of Minister to amend or vary monetary penalties.
13. General regulations as to payment and collection of education tax, etc.

SCHEDULES.

THE EDUCATION TAX ACT

[1st July, 1983.] Acts
7 of 1987.
[Sections 11 and 12: 8th May, 1987.] 28 of 2003
S. 2.
8 of 2014
Sch.

1. This Act may be cited as the Education Tax Act.

Short title.

2. In this Act—

Interpre-
tation.

“appointed day” means the 4th day of July, 1983;

“Commissioner” means the Commissioner of Inland Revenue;

“domestic worker” means a person employed otherwise than for the purposes of a trade or business, for the comfort or convenience of a member of a household or in or about a dwelling house or such other premises as may be prescribed in such capacities as housekeeper, cook, maid (including children's maid), laundress, butler, general helper, gardener, chauffeur or other similar capacity;

“earnings” means in relation to any person in any income tax year, the statutory income computed pursuant to the Income Tax Act as being the statutory income of that person for that year modified to such extent as may be prescribed by regulations, and, without prejudice to the generality of the foregoing, such regulations may have the effect of increasing or decreasing the amount which shall be taken into account as earnings;

“education tax” or “tax” means the education tax imposed by this Act and includes all penalties and interest that are or may be added to a tax under this Act;

“emoluments” means any emoluments assessable to income tax pursuant to paragraph (c) of section 5 of the Income Tax Act (other than annuities, pensions, superannuation or other allowances payable in respect of past services in any office or employment of profit and such other categories of emoluments as may be prescribed) being emoluments from which income tax is deductible pursuant to the Income Tax (Employments) Regulations, whether or not tax in fact falls to be deducted therefrom;

First
Schedule.

“employed person” means a person over the age of eighteen and under retirement age gainfully occupied in employment specified in the First Schedule and earning not less than the minimum wage as prescribed under the Minimum Wage Act;

“employer” means any person who has in his employment a person who is required to pay education tax pursuant to this Act;

“income tax” means income tax payable pursuant to the Income Tax Act;

“income tax year” means the year of assessment as defined in the Income Tax Act;

“retirement age” means the age of sixty-five years;

“self-employed person” means, subject to section 3, a person gainfully occupied in Jamaica who, in relation to that occupation, is not an employed person;

“taxpayer” means any employed person, self-employed person or domestic worker and any employer who is required to pay tax pursuant to this Act;

“tax week” means the period of seven days commencing immediately after twelve o'clock midnight on each Sunday and ending at twelve o'clock midnight on the Sunday next following;

“tax year” means the period of fifty-two or fifty-three weeks beginning with the first Monday of January in any calendar year and ending on the Sunday immediately before the first Monday of the succeeding calendar year but in relation to the year 1983 it means the period beginning with the first Monday of July, 1983 and ending on the Sunday immediately before the first Monday in January, 1984;

“wages” includes salary or any other remuneration.

3.—(1) For the purposes of this Act, taxpayers shall be divided into the following categories—

Categories
of tax-
payers.

- (a) employed persons;
- (b) self-employed persons;
- (c) employers.

(2) The Minister may by regulations modify the application of subsection (1) in relation to cases where it appears to him desirable to do so by reason of the nature or circumstances of a person’s employment or otherwise, and, without prejudice to the generality of the foregoing, such regulations may provide—

- (a) for disregarding or for treating as not being employment, either as a self-employed person or as an employed person—
 - (i) employment which in the opinion of the Minister is of a casual or subsidiary nature or in which the person concerned is engaged only to an inconsiderable extent;
 - (ii) employment in the service, or for the purposes of the trade or business, or as a partner, of a relative of the person concerned;

- (iii) such employment in the service of, or in the service of a person employed to, such international organizations or countries (other than Jamaica), as may be specified in the regulations;
- (b) for treating as employment as an employed person—
 - (i) such employment as a self-employed person as may be specified in the regulations;
 - (ii) such employment outside Jamaica in continuation of gainful employment in Jamaica as may be specified in the regulations;
- (c) for treating as employment as a self-employed person—
 - (i) such employment as an employed person as may be specified in the regulations;
 - (ii) such employment outside Jamaica in continuation of gainful employment in Jamaica as may be specified in the regulations;
- (d) for treating for the purposes of this Act, or of such provisions thereof as may be specified in the regulations, a person's employment either as an employed person or as a self-employed person as—
 - (i) continuing during periods of holiday, incapacity for work or in such other circumstances as the Minister thinks appropriate;
 - (ii) ceasing in such circumstances as may be prescribed.

Imposition
of educa-
tion tax.

4.—(1) Subject to the provisions of section 6, education tax shall be payable under this Act by taxpayers in accordance with the provisions of this section.