



OFFICE OF THE PRESIDENT

Department of Public Administration

CIRCULAR NO.12 of 2018

17 September, 2018

TO:

**Attorney General
Secretary General
Secretaries of State
Commissioner of Police
Chairman Constitutional
Appointments Authority
Ombudsman
Auditor General**

**Chairman Electoral Commission
Chairman, Public Service Appeal Board
Chief Secretary Public Service
Principal Secretaries
Clerk of the National Assembly
Master / Registrar, Supreme Court
Chief Executive Officers**

TAX EXEMPT - PAYMENT OF COMPENSATION FOR PAST CONTINUOUS SERVICE

Following the enactment of legislation on **27 August 2018**, payment of compensation due to an employee upon **resignation** is now also tax exempt.

Attached is a copy of the Statuary Instrument **No.50** for record and revised compensation form for use with immediate effect.

Please note that with the abolition of tax payment, the compensation form has reverted to its previous format.


Jessie Esparon (Ms)
**CHIEF SECRETARY
PUBLIC SERVICE**

S.I. 50 of 2018**INCOME AND NON-MONETARY BENEFITS TAX ACT***(Cap 273)***Income and Non-Monetary Benefits Tax (Amendment of Second Schedule) Regulations, 2018**

In exercise of the powers conferred by section 19 (1) (b) of the Income and Non-Monetary Benefit Tax Act the Minister of Finance, Trade, Investment and Economic Planning hereby makes the following Regulations

1. These Regulations may be cited as the Income and Non-Monetary Benefits Tax (Amendment of Second Schedule) Regulations, 2018.

Citation

2. The Income and Non-Monetary Benefit Tax Act is hereby amended in the Second Schedule by repealing item 1 (f) and substituting therefor the following—

Amendment of
Cap 273

“(f) any compensation payment due to an employee under the Employment Act (Cap 69)”

MADE this 23rd day of August, 2018.

**MAURICE LAUSTAU-LALANNE
MINISTER OF FINANCE, TRADE
INVESTMENT AND ECONOMIC PLANNING**

