

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

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

Citation

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

"(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

APPLICATION FOR PAYMENT OF COMPENSATION FOR PAST CONTINUOUS SERVICE

In Accordance with Public Service Order 175 (REVISED VERSION AS OF 27 AUGUST, 2018)

TO BE INITIATED BY THE LAST EMPLOYER

PART 1 – TO BE COMPLETED BY LAST EMPLOYER IN TRIPLICATE	PART 2 – TO BE COMPLETED BY ORGANISATION ACCOUNTS DIVISION
To: Chief Secretary - Department of Public Administration From:	
Present Employer – Ministry/Department	
You are requested to pay compensation for the past years' service to the following person in terms of PSO 175.	
A. Name:	
B. NIN Number://	D D M M Y Y
C. Last Post Title: D. Last Post Number: / /	
E. Date joined service:	D D M M V V
F. Date left service: D D M M Y Y F. Date left service:	D D M M Y Y
D D M M Y Y	Month(s) <u>FROM</u> <u>TO</u>
G. Number of completed months service	
H. <u>Less</u> : period of authorize unpaid leave From To	
<u>From</u> <u>10</u>	
	Month(s)
Less: Period of unauthorized absence / suspension	R
	Gross Compensation payable R
I) Number of months qualifying for compensation (G-H)	Gross Compensation payable R
J) Number of days qualifying for compensation	Loss
K) Last MONTHLY gross basic salary R	<u>Less</u> :
L) Working hours per day 7 hrs	
M) Working hours per week 35 hrs	a. Notice pay due Rb. Overpayment of salary R
N) Gross compensation payable	c. Other R
O. Less: a. Notice pay due R	Net Compensation payable R
b. Overpayment of salary R	In words: Rupees
c. Other R	iii words. Rupees.
(Please Specify)	VERIFIED BY:
EMPLOYER'S CERTIFICATION: We certify that the above information has been verified by	SIGNATURE:
using our records.	NAME:
NAME DESIGNATED (PS/DG/DA) SIGNATURE	POST TITLE:
DATE:	DATE:
PART 3 – TO BE COMPLETED BY DEPARTMENT OF PUBLIC ADMINISTRATION	
CERTIFIED FOR PAYMENT	
SIGNATURE: NAME:	
POST TITLE: DATE:	
PART 4 – TO BE COMPLETED BY THE TREASURY	
We have examined the arithmetical accuracy of the computation and a sum of SR	
of dues for compensation payable. This payment is now serially numbered	
Chief Accountant – Treasury	Payment Voucher Ref: