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The finance ministry last week announced further concessions under its tax amnesty programme, which will allow delinquent taxpayer to pay even lower penalties on late taxes over the next three months.

The programme, which began on April 11, provided a full waiver on interest and penalties up to July 31 this year and has resulted additional revenue to the government's coffers.

Up to June 30 almost \$4 billion was collected as a result of the programme and approximately 3,000 new taxpayers have voluntarily come forward to file and pay their outstanding returns and taxes, according to the finance ministry.

Taxpayers were then expected to benefit from a reducing waiver over the remaining three months to October, starting at 50 per cent in August and dropping to 20 per cent by the last month.

Last week, Minister of Finance and the Public Service Audley Shaw, while speaking at the official opening of the Portmore Revenue Centre, said that in response to numerous requests he had decided to increase the waiver of penalty and interest to 90 per cent during August, 80 per cent in September and 70 per cent for the last month.

Shaw added that he had granted increase in waivers in order to allow taxpayers to become tax compliant over the remaining three months of the amnesty but stressed that the tax amnesty will definitely end on October 31, 2008 and thereafter an aggressive Tax Compliance Programme will be pursued by the Inland Revenue Department.

During the three months to June 30 tax revenue was 23 per cent higher than collected during the corresponding period in 2007 and was marginally higher than target - 1.2 per cent.

The main growth area for revenue was corporate tax, which, at \$3.95 billion for the first three months of the fiscal year which began on April 1, was 57 per cent higher than the corresponding period in 2007.

The central government also managed to keep the increase in expenditure below 19 per cent allowing them to better the fiscal deficit target by \$4 billion or 33 per cent during the three month period.

The fiscal deficit was also slightly better, or 1.7 per cent lower than that attained during the corresponding period last year.