



# Employer Fact Sheet

*In an effort to serve you better we are presenting you with a synopsis of the National Insurance Scheme (N.I.S)*

- \*All employees between the ages of 18-65 (women) and 18-70 (men) whether full or part-time must contribute at a rate of 2.5 percent of gross salary, and the employer pays a matching 2.5 percent.
- \*The wage ceiling on which the N.I.S. is deducted is Five Hundred Thousand Dollars (\$500,000.00) per year.
- \*No additional deduction is made on any amount above this figure.
- \*Each employee must have an N.I.S. number.

## Employer Obligation

- A. If an employee is on probation, NIS contributions are payable. It is the employer's responsibility to ensure that he/she gets the employee's N.I.S number at the date of employment.
- B. N.I.S. contributions are due by the 14<sup>th</sup> day of the month following the one for the which they are payable. For example contribution for the month of January must be paid by the 14<sup>th</sup> day of February.
- C. The properly completed Annual Return for any year is due by the 14<sup>th</sup> of January of the following year. It is to be handled in directly to the N.I.S. office and **not** the *Collector of Taxes*.
- D. The filing of Annual Returns can be done whether or not payment of contributions has been made.
- E. Each employee has the right to ask to see his/her N.I.S. records, to ensure that his/her contributions have been paid over. The employee can also take legal action if he/she is denied a pension benefit, because of non-payment of his/her contributions.

**The Nation Insurance Inspector is required by law to inspect any document that relates to N.I.S.**

**PLEASE** cooperate with our inspectors when they visit.

## Benefits Payable

**N.I.S. contributions are used to pay the following:**

- A. **Pensions:** Old Age, Invalidity, Widows, Widowers, Orphans, Special Child's and Special Anniversary.
- A. **1 Pension Grants:** Old Age, Invalidity, Widows, Widowers, Orphans, and Special Child's
- B. **Injury Benefits:** Employment Injury Benefit, Disablement pension, Employment Injury Death Benefit.
- C. **Grants/Allowances:** Funeral Grants, Maternity Allowance.
- D. **Health Coverage** for N.I.S. pensioners - [NIGOLD]

Any employee who is injured on the job may be eligible for an employment injury benefit from N.I.S. This claim must be made within ten (10) days of the injury, or he/she might lose a portion of the entitlement.

## To Obtain a Compliance Letter:

- A. The employer's payment for all business entities must be up to date. The individual Self Employed Person's payment must also be up to date.
- B. The completed Annual Return for the previous year must be submitted. All employees must be listed, and all N.I.S. numbers included.
- C. The letter may be denied if the N.I.S. Inspector has not been allowed access to your records within the six (6) month period preceding your request for a compliance letter.

**For further information please speak to the N.I.S. Inspector who visits you, or call: 929-7114-5\929-7119-22 or visit us at the following location:  
Ministry of Labour and Social Security, 18 Ripon Road, Kingston 5  
Website [www.mlss.gov.jm](http://www.mlss.gov.jm) toll free 1-888-991-2089**