



INTERIM STABILISATION LEVY

WHAT IS THE INTERIM STABILISATION LEVY

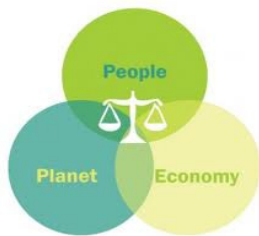
The Interim Stabilisation Levy (I.S.L) Act came into effect on 1st April 2011.

The Interim Stabilisation Levy is a 3% levy on the gross salary/wages of all employees earning over **EC\$2,000.00 per month**.

As such, employees remuneration exceeding **EC \$ 2,000.00 per month** shall pay 3% on the entire amount.

The employer shall match the levy of 3% on the employee's amount of remuneration or payment **not exceeding EC\$12,000.00 per month**.

Self-employed persons are required to pay 6% on their earnings over **EC\$2,000.00 per month**.



FILING RETURNS AND REMITTING LEVY

The levy shall be paid to the Comptroller, Inland Revenue Department within 10 days of the end of the month following, e.g. January levy should be remitted by February 10th of the corresponding year.

If the services of an employee are terminated, the employer shall remit to the Comptroller all levies due within one month from the end of the month in which employment is terminated.

The return must be accompanied with payment to be considered complete.

PAY PERIODS FOR INTERIM STABILISATION LEVY

Employers shall deduct the levy from remuneration of his/her employee weekly, fortnightly or monthly.

- **Weekly** deductions shall be made on remuneration over E8C\$500.00 or US\$185.99.
- **Fortnightly** deductions shall be made on remuneration over EC\$1,000.00 or US\$371.99.
- **Monthly** deduction shall be made on remuneration over EC\$2,000.00 per month.

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LATE FILING PENALTY

Late filing penalties are applied when an employer fails to file a return as and when required by the Act.

The penalty of **EC\$50.00** a day will apply from day 11 to a maximum of **EC\$2,000.00 per month. (40 days)**.

Interest will be applied at the rate of 1% per month to a maximum of 12% per annum.

INTERPRETATION OF EMPLOYERS, EMPLOYEES, AND SELF-EMPLOYED PERSONS

Employer: any person, body of persons or any organization, for whom an individual person services as an employee.

Employers are required to make payments as stipulated by the I.S.L Act.

Employee: Any director of a company or corporation, working partner of a partnership and individuals that performs services for remuneration.

Self-employed Persons:

Gainfully occupied in employment in Anguilla, independent of an employer. These persons include:

- Professionals (doctors, lawyers, architects, consultants, engineers etc.)
- Business persons (whether as directors, owners, proprietors.
- Farmers, fishermen, taxi-drivers, street vendors, traders.
- Technicians and skilled workers; plumbers, electricians, carpenters,

- Beauticians, barber, shoemaker etc.
- Other persons who offer their skills and services independently.

EMPLOYERS EXEMPTED FROM THE INTERIM STABILISATION LEVY

(THE MATCHING 3%)

- Government of Anguilla
- Statutory Bodies
- NGO's
- Churches

REMUNERATION INCLUDES:-

- Wages
- Salary
- Leave pay
- Acting pay
- Commission
- Fee
- Bonus
- Allowances,
- Perquisite (Gratuity)

EXEMPTED REMUNERATION INCLUDES:

- Service Charge
- Sick leave pay
- Maternity Leave pay
- Subsistence allowance or similar type of allowance for workshops, conferences etc.



Government of Anguilla

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