



4th Floor, Weymouth Corporate Centre, Roebuck Street, Bridgetown, Barbados, BB11080  
Tel: (246) 535-8600 | Fax: (246) 535-8641 | Email: bramail@bra.gov.bb

## **POLICY NOTE**

**OGC No. 005/2023**

**Office of the General Counsel**

**Income Tax Act Cap. 73**

### **Tax-Free Payment of \$1500 for Government Workers 2022-2023**

On Tuesday, March 7<sup>th</sup> 2023 the Government of Barbados announced that it had reached an agreement with the Labour Unions in the Public Sector regarding Salaries and Wages 2022-2025. This agreement included a one-off tax-free \$1500.00 lump sum payment for 2022-2023 for all persons who at March 31, 2023, would have been working in the Public Service and in State Owned Enterprises (“SOEs”) that are dependent on central Government for recurring financial support. The agreement also includes all temporary workers who would have worked up to the end of March 31, 2023.

#### **Administration**

The one-time payment of \$1,500 is not subject to income tax and will not be included as part of the employees assessable income.

The amount should **not** be included in the employers PAYE return for the Month of March/April 2023.

However, the amount paid should be recorded as exempt income and employers are therefore required to file an **Exempt Return** via the Authority’s Tax Administration Management Information System (“TAMIS”). The exempt return is a one-off upload.

The steps to be taken to submit an exempt return are as follows:

**(TAMIS -> Return -> add Return -> Tax type -> Exempt Income -> Year -> 2023)**

The exempt upload template can be downloaded from “the Authority’s” website. Please see the link below [https://bra.gov.bb/News/Announcements/Third-Party-Filing-Templates-for-2\\_1.aspx](https://bra.gov.bb/News/Announcements/Third-Party-Filing-Templates-for-2_1.aspx).

The exempt return for the \$1500 is due **on or before February 28th, 2024**.

**Office of the General Counsel  
Barbados Revenue Authority  
May 2023**