

**INCOME AND NON-MONETARY BENEFITS TAX (AMENDMENT)
ACT, 2022**

(Act 32 of 2022)

ARRANGEMENT OF SECTIONS

SECTIONS

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4. Amendment of section 5
5. Repeal and replacement of Third Schedule
6. Amendment of Fourth Schedule



**INCOME AND NON-MONETARY BENEFITS TAX (AMENDMENT)
ACT, 2022**

(Act 32 of 2022)



I assent

A handwritten signature in black ink, appearing to read 'Wavel'.

Wavel Ramkalawan
President

29th December, 2022

**AN ACT TO AMEND THE INCOME AND NON-MONETARY BENEFITS TAX ACT,
(CAP 273).**

ENACTED by the President and the National Assembly.

Short title

1. This Act may be cited as the Income and Non-Monetary Benefits Tax (Amendment) Act, 2022.

Amendment of section 2

2. The Income and Non-Monetary Benefits Tax Act (Cap 273), in this Act referred to as the “principal Act”, is amended in Section 2 by repealing the definition of “fair market value”.

Amendment of section 4

3.(1) The principal Act is amended in Section 4 by repealing subsection (5) and substituting therefor the following —

“(5) The tax imposed under subsection (2) is imposed on the actual cost or the taxable value of non-monetary benefits.”

Amendment of section 5

4. The principal Act is amended in Section 5 by inserting after subsection (5) the following new subsection —

“(6) Notwithstanding subsections (1) and (2), an emolument received in arrears by an employed person from an employer shall be attributed to the month in respect of which the emolument was due to be paid and the employer shall withhold tax at the rate specified in the First Schedule as if the emolument received in arrears was received in the month to which the emolument is attributed.”

Repeal and replacement of Third Schedule

5. The Third Schedule to the principal Act is repealed and there is substituted therefor the following new Schedule —

“THIRD SCHEDULE

Section 4(2)

Rate of tax payable by employers in respect of non-monetary benefits

1. An employer shall be liable to pay tax at the rate of 15% of the actual cost or the taxable value of a non-monetary

benefit provided to an employed person and such tax shall be computed in accordance with the Act in respect of each non-monetary benefit provided to the person employed.”

Amendment of Fourth Schedule

6. The fourth Schedule to the principal Act is amended —

- (a) by repealing the table under paragraph 1 and substituting therefor the following new table —

FOURTH SCHEDULE

Taxation of Non-Monetary Benefits

1. Taxation of non-monetary benefits

Item	Type of benefit provided to or on behalf of an employed person	Taxable Value/ Actual Cost		Exemptions/ Exception
1	Accommodation	<u>Type</u>	<u>Per month Per employed person (SR)</u>	(a) The provision of accommodation for business purposes if the period of the accommodation is three months or less. (b) The provision of accommodation to an employed person in the construction and tourism sector.
		(a) Onsite shelter	300	
		(b) Dormitory accommodation	600	
		(c) One bedroom dwelling	2,500	
		(d) Two bedroom dwelling	3,000	
		(e) Three bedroom dwelling	4,000	
		(f) Four bedroom dwelling	5,000	

2	Utilities benefits includes utility bills such as electricity, water, telephone, cable tv, or home internet access	Actual cost incurred by the employer	Utilities benefit provided to an employed person of the tourism sector
3	Provision of clothing		Identifiable uniforms or safety clothing or protective clothing
4	In-house benefit (perquisites)	Actual cost incurred by the employer	Provided the total benefit in any one month does not exceed 20% of basic salary.
5	Meals		The cost incurred in providing meals to an employed person
6	Motor Vehicle	(a) Actual cost incurred on fuel and renting of motor vehicle (b) Where an employer owns a motor vehicle and provision is made for it to be used by the employee, the taxable value will be SR600 per day.	An employed persons benefit to the extent that: (a) A vehicle logbook is maintained and the logbook substantiates that the employed person is in fact called out for afterhours duties on a regular basis (b) Private motor vehicle provided to an employed person in the tourism sector for the purpose of home to work travel
7	Medical Expenses		(a) Medical fees in regards to medical tests relating to employing foreign workers. (b) Medical expenses incurred by employers on behalf of an employed person.
8	Life Insurance	Actual cost incurred by employer	
9	Health Insurance		Applied to all employed persons.

10	Insurance e.g. house and content, income protection, motor vehicle or fire and burglary insurance		The cost incurred of the insurance benefit provided to employees so as to encourage employers to insure the house, motor vehicles and other content of their employees in case of burglary or fire disasters.
11	Transport to/from work (excluding motor vehicle)		Transportation cost provided to employed persons for the purpose of home to work travel.
12	Airline and ferry transport	Actual cost incurred by employer	Exemptions will be granted: when the transportation services of airline/ferry both domestically/ internationally is provided to an employed person for business or work purposes. If the itinerary for the trip including proof for grounds of travel is provided.
13	Tuition fees and training cost	Actual cost incurred by employer	An employed person whose training is limited to that provided by certified institutions recognised by the Seychelles Qualifications Authority, shall be eligible for exemption from tax on the following — 1. Class fees, registration, book fees, examination fees and assessment fees; 2. Airfares for the first travel from the Seychelles to the place of study and for the last travel from the place of study to the Seychelles. 3. Bus pass for local students. Where an employer pays an employees' children's school fees, the full cost incurred will be exempted.
14	Employer contribution towards private pension	Actual cost incurred by employer	

(b) by repealing paragraph 2 to the Fourth Schedule.

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 9th December, 2022.



Mrs. Tania Isaac
Clerk to the National Assembly