



Guide to the Completion of the EMPLOYEE Income Tax Form

This guide should be read along with newly designed form:

INCOME TAX RETURN FOR EMPLOYEES

Please Note:

If you have worked for more than one employer during the course of the year, be sure to get your TD4 slips from all your employers, regardless of the period of time worked, or the amount earned.

Only one return is to be submitted for each basis year (January to December) and should include all your income from all sources.

Add extra lines at the back of the form if you have had more than six (6) employers.

This information in this guide reflects changes from 1st January 2010.

General Information

1. The form should be filled out. Please make sure that you have inserted:
 - The Basis Year in the heading;
 - Your full name and date of birth, to distinguish you from another taxpayer with the same name;
 - Your mailing address; remember that the mail is sent registered. Use your work address if there is no one at home to receive the mail during the daytime;
 - Your present position and employer:

Example - (a) Position: Broker;

(b) Employer: Emerald Imports

2. Attach COPY for Employee TD4 Supplementaries/ slips

Threshold

3. If your income from all sources combined was less than \$26,00.00, you should not have paid income tax. If tax was deducted from your income you may claim a refund at the end of the year.

Filing Date

4. The filing due date for the Income tax return is 31st March, unless otherwise approved by the Commissioner of In-come Tax. If you return is going to be late for any reason, you must apply before 31st March for approval to file at a later date.

Penalties and Interest

5. The penalties for not filing and paying as required are as follows: (Line 100, 101).
Late Filing Penalty: You are charged a penalty of 3% of the balance of tax due, for each month, or apart of the month, that your return is late.
Interest Chargers: Once you have a balance of tax after 31st March, **you are charged interest on this balance at the rate of 1.5% per month, until final payment is made.**

Income (See back of form)

6. Insert the information from the **TD4** Slips as requested here, one line per **TD4**. and any other income for which you did not receive a **TD4**.
7. Total the "EARNINGS" column and carry this figure to line on the front of the form.
8. If you are earning a salary and is in receipt of any other source of income such as rental, trade and business or professional, etc., then you are required to file a Business Tax Return on such income and pay taxes due, regardless of the amount received monthly.

Deductions

9. Employees are allowed to deduct from their total income (Line 1) the following:
 - Basic personal relief (Line 30) see notes below
 - Charitable contributions (Line 31).....see notes below
 - Contributions to education (Line 31)see notes below

Personal Relief

Less than \$26,000 .00	Personal relief of \$25,600.00
\$26,000.01—\$27,000.00	Personal relief of \$24,600.00

\$27,000.01—\$29,000.00	Personal relief of \$22,600.00
\$29,000.01 and over	Personal relief of \$19,600.00

Charitable Relief

10. Charitable relief must be for contributions to cultural. Educational or religious activities, or to charitable institutions, or the improvement of facilities in towns and villages, **IN BELIZE, Original** receipts or acknowledgments must be submitted for the Commissioner to allow the claim.

The minimum to be claimed is **\$250.00** and the maximum is **one-sixth** of your **chargeable income** after deduction the basic personal relief.

Example: Total income.....\$32,000.00
 Less Personal relief\$19,600.00
 Chargeable income.....\$12,400.00

Maximum allowable relief: $1/6 \times \$12,00.00 = \mathbf{\$2,066.67}$

Education Relief

11. You are allowed to claim for Contribution to the education of children who are not your own and who are attending school full-time.

- Claim limited to \$400.00 per child.
- Total Under this heading limited to \$1,600.00
- You may not claim for your own child (this is covered under basic personal relief)

Total all allowable charitable and education relief and insert at Line 31.

Rate of Tax:

12. The rate of Tax is 25% (Line 50). You are to multiply the Chargeable Income by the rate of tax to get the total tax payable.

Example: $\$10,333.33 \times 25\% = \$2,583.33$

Standard Tax Deduction

13. You are to deduct up to \$100.00 from your tax payable. (Line 55) This is a credit given to all taxpayer which cancels the first \$100.00 in tax. Please note: If your total tax payable is less than \$100.00, the relief is limited to that amount.

Example: Tax payable = \$65.00; Credit = \$65.00

Tax Deduction at Source

14. This is the amount of tax which is taken out of your salary by your employer. This amount is shown in Box E of your TD4 slip and is to be entered on Line 70 on your return form. If you have more than one TD4 slip, total all the amounts in Box E, then put this figure online 70 of your return form.

Refund Due/Balance Owing

15. A refund becomes due when the tax payable is less than the tax deducted from your income, or if you had tax

deducted and your total income was below the **threshold** of \$26,000.00. You **must** file a return. Enter this amount at Lines 90/110.

You have a **balance owing** when the tax payable is more than the deducted from your income.

Any balance owing is to be paid by 31st March.

Tax Computation:

16. Tax is calculated on the CHARGEABLE INCOME only. The chargeable income is: Total Income (Line 20) minus Total Deductions (Line 35).

Example 1:

Taxpayer X:	Total Income:	\$32,000.00
	Claim for Charitable	\$ 3,000.00 Tax deducted at source:
	\$ 2,600.00	

Computation:

Total Income:	\$32,000.00
Less: Basic personal Relief	\$19,600.00
Charitable Relief (Max—See Item 10)	\$ 2,066.67
Chargeable Income	\$10,333.33

Tax: $10,333.33 \times .25 = \$ 2,583.33$

Less: Standard Tax Deduction: \$ 100.00

Tax Payable: \$ 2,483.33

Less Tax deducted at source: \$ 2,600.00

Refund Due (\$ 116.67)

Example 2:

Taxpayer Y:	Total Income:	\$ 40,100.00
	Claim for contribution to education:	
	Niece attending Gwen Liz	\$ 500.00
	Tax deducted at source	\$ 3500.00
	Filed return and paid balance on 25th June	

Computation:

Total Income	\$ 40,100.00	
Less: Basic Personal relief	\$ 19,600.00	
Education Relief (See Item 11)	\$ 400.00	
Chargeable Income	\$ 20,100.00	
Tax (20,000.00 x 25%)	\$ 5,025.00	
Less: Standard Tax Deduction	\$ 100.00	
Tax Payable	\$ 4,925.00	
Less: Tax Deducted at source	\$ 3,500.00	
Balance of Tax Due (Line 90)	\$ 1,425.00	
Late Filing Penalty (3 Months at 3%)		
	\$1,425.00 x 9%	\$ 128.25
Interest (3 Months at 4.5%)		\$ 64.13

Total Due and Payable (Line 110) \$ 1617.38

Note: The education relief is limited to \$400.00 per child.

Where to file:

Returns may be submitted, and payment of tax made at the following offices:

Belize Tax Department, #49th Ave., Corozal Town

**Belize Tax Department, #107 Otro Benque Rd.,
Orange Walk Town**

Belize Tax Department, Suite #06 San Cas Building, Trigger Fish St., San Pedro Town

**Belize Tax Department, Charles Bartlett Hyde Bldg.,
Mahogany Street, Belize City**

Belize Tax Department, #101 Trinity Blvd, Belmopan

Belize Tax Department #1 Buena Vista St., San Ignacio Town

Belize Tax Department, Ecumenical Drive, Dangriga Town

Belize Tax Department #37 Jose Mario Nunez St., Punta Gorda Town