



BERMUDA

PAYROLL TAX AMENDMENT (NO. 2) ACT 2024

2024 : 36

WHEREAS it is expedient to amend the Payroll Tax Act 1995 and the Payroll Tax Rates Act 1995;

Be it enacted by The King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act, which amends the Payroll Tax Act 1995 and the Payroll Tax Rates Act 1995, be cited as the Payroll Tax Amendment (No. 2) Act 2024.

Inserts section 9BA into the Payroll Tax Act 1995

2 The Payroll Tax Act 1995 is amended by inserting the following after section 9B—

“Special provision for minibus operators

9BA (1) In this section—

“Board” means the Public Service Vehicles Licensing Board established under the Motor Car Act 1951 (“the 1951 Act”);

“minibus operator” means a person who operates a minibus service in accordance with section 32A of the 1951 Act (use of minibuses in operation of minibus services);

“minibus permit” means a permit to operate a minibus service granted by the Board under section 32A of the 1951 Act.

(2) Notwithstanding the provisions of the this Act or the Rates Act, a minibus operator shall not be liable to payroll tax at the employer's standard rate

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or employee’s standard rate bands in relation to his remuneration as a minibus operator.

(3) A minibus operator shall be required to pay to the Commissioner a flat rate of payroll tax per annum of such amounts as prescribed by the Rates Act for the purpose of this section before the vehicle licence for the minibus may be issued by the Transport Control Department in relation to any licence period beginning on or after 1 April 2025.

(4) Where a minibus operator applies for a vehicle licence for a period of six months or less, he shall be required to pay one half of the amount prescribed for the purposes of subsection (3) before the vehicle licence for the minibus may be issued by the Transport Control Department.

(5) No refund of payroll tax paid under this section shall be payable if a minibus permit is at any time suspended or revoked by the Board under section 32A of the 1951 Act.

(6) In section 59 of the 1951 Act (licence duties), after subsection (3) insert—

“ (3B) No licence for a minibus shall be issued unless the applicant has paid in full to the Tax Commissioner the payroll tax due under section 9BA(3) or (4) (as the case may be) of the Payroll Tax Act 1995.”.

Amends section 4B of the Payroll Tax Rates Act 1995

3 Section 4B of the Payroll Tax Rates Act 1995 is amended by deleting “\$1,000” and substituting “\$600”.

[Section 3 shall come into operation on 1 October 2025]

Inserts section 4BA into the Payroll Tax Rates Act 1995

4 The Payroll Tax Rates Act 1995 is amended by inserting the following after section 4B—

“Minibus operators

4BA The following are prescribed as the amounts for the purposes of section 9BA—

| Tier (T) | Minibus Seating Capacity | Tax Amount |
|----------|--------------------------|------------|
| T1 | up to 15 seats | \$750 |
| T2 | 16-24 seats | \$1,000 |
| T3 | more than 24 seats | \$1,500 |

”.

Saving

5 For the avoidance of doubt, nothing in section 2, which inserts section 9BA into the Payroll Tax Act 1995 (special provision for minibus operators), affects the liability of

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any minibus operator to payroll tax which is outstanding on the coming into operation of this Act.

Commencement

6 Section 3 of this Act shall come into operation for the licence period (as defined in section 59(4) of the Motor Car Act 1951) beginning 1 October 2025.

[Assent Date: 16 December 2024]

[Operative Date: 16 December 2025]