

Taxpayer Education Strategy

The strategy

The following table details the Inland Revenue Department's strategy for educating taxpayers on their responsibilities under the Income Tax Act. The strategy is required as a result of the low level of taxpayer compliance in Montserrat, which is attributed at least partly to taxpayers' uncertainty about their tax obligations and responsibilities.

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Taxpayer Education Strategy, Continued

Taxpayer Group	Requirement	Solutions
Employees	<ul style="list-style-type: none"> • To ensure employees know that tax is required to be deducted from salaries and wages. • Remind employees to file accurate annual returns. • General education on employees' rights and obligations. 	<ul style="list-style-type: none"> • Employee leaflet to be designed & issued with assessments advising employees of their rights & responsibilities. • New returns & guides designed in 2002. • Publicity required when annual returns due.
Employers	<ul style="list-style-type: none"> • To ensure employers know how to deduct tax from salaries and wages, and how and when to remit the tax to the Department. • General education on employees' rights and obligations. 	<ul style="list-style-type: none"> • Employers' Summary Pamphlet developed as a quick reference guide for employers. • Employers' Guide developed as a detailed resource for employers. • Seminars held for existing employers. • IRD to offer advisories to new employers.
Self-employed	<ul style="list-style-type: none"> • To ensure self-employed taxpayers know how to set up their business records for tax purposes and understand their various tax obligations. 	<ul style="list-style-type: none"> • Business Summary Pamphlet developed as a quick reference guide for self-employed taxpayers. • Business Guide developed as a detailed resource for self employed taxpayers. • Seminars to be held for existing self-employed taxpayers. • IRD to offer advisories to new businesses. • New returns & guides designed in 2002. • Publicity required when annual returns due.
Special groups/interests	<ul style="list-style-type: none"> • Construction industry. • New tax residents. • Taxpayers' objecting to assessments. 	<ul style="list-style-type: none"> • A pamphlet developed specifically for the construction industry to cover both the self-employed and employees. • A residency pamphlet to be developed to assist in making residency determinations. • An objection pamphlet to be developed to assist taxpayers wanting to object to their assessments.