



ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE ADDRESSED TO THE
FINANCIAL SECRETARY AND THE FOLLOWING REFERENCE NUMBER QUOTED:-

Telephone No. 92-28600-16
Website: <http://www.mof.gov.jm>
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MINISTRY OF FINANCE AND PLANNING
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

24th April 2013

CIRCULAR #12

REFERENCE NO: 565/017

DIVISION: TAXATION POLICY DIVISION

**All Permanent Secretaries
Heads of Departments
Chief Executive Officers**

Re: Revised 20% Motor Vehicle Duty Concession Policy

Consequent on changes announced in the 2011/2012 Budget Presentation and coupled with Cabinet Decisions #46/11 dated 28th November 2011 and #45/11 dated 21st November 2011, the following guidelines will become applicable for the grant of the 20% concessionary rate of duty to qualified officers within the public service.

It should be noted that the provisions apply to persons who presently qualify for the benefit of the 20% concessionary rate of duty on motor cars, and should not be regarded as an extension of the benefit to employees of government organizations who are not currently eligible for the benefit.

Policy Governing the application and use of the Concession

1. The concession is available to officers who are permanently appointed to positions that attract the full upkeep, commuted or fixed allowance approved by the Ministry of Finance and Planning.
2. **Persons employed on projects are not eligible for the benefit.** Persons employed on a minimum three (3) year contract/gratuity basis and are in posts that are on the Civil Service Establishment, may benefit from this facility, provided that the application is made to this Ministry within the first three (3) months of the commencement of the contract period and the facility is utilized within that stipulated time frame. Such applications are to be accompanied by a copy of the relevant pages of the contract of employment (i.e. at a minimum the pages which indicate the period of engagement, the position and the signatories to the contract). The pages with the remuneration are not necessary for submission.

In the case of persons employed on fixed term contracts, consideration for the benefit is given within the first three months of the contract. Applications made outside of the three

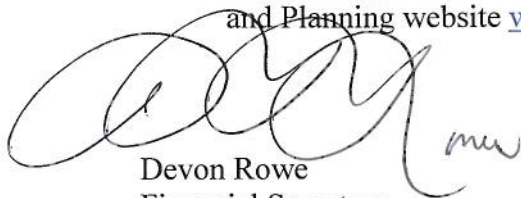
- (3) months are allowed only on condition that it is stated in writing by the Human Resource Department that the contract will be renewed based on satisfactory performance within three (3) years from the grant of the last concession failing this the remitted duties become payable.
3. The concession is available once every five (5) years from the date of importation of the last vehicle on which a concession was received and once every Parliamentary term of office for Members of Parliament.
 4. All applicants are required to complete and sign the **20% Motor Vehicle Duty Concession form**.
 5. The Human Resource representative is to attest to the 20% Motor Vehicle Duty Concession form signed by the applicant.
 6. The **20% Motor Vehicle Duty Concession form** is to be accompanied by a recommendation from the Human Resource Department of the organization, which should include information on whether commuted; upkeep or fixed allowance is attached to the post. The correspondence should also indicate whether the applicant has ever benefitted from a concession and if so, the date on which the last concession was granted (inclusive of any discretionary approvals) and whether or not the applicant has been or is eligible for an assigned motor vehicle
 7. Based on Cabinet decision #45/11 dated November 21, 2011, Cabinet gave approval for an increase in the age of vehicles allowed to be imported into the island. In keeping with the provisions of the Trade Board Act, the age of cars and pick-ups (under 3,000 kg laden weight) (as per section 11 of the Road Traffic Act) allowed for the 20% concession, should be no older than five (5) and six (6) years respectively.
 8. The concession is applicable to cars and pickups (under 3,000 kg laden weight) as per Section 11 of the Road Traffic Act, with no restriction on the engine displacement or c.c. rating.
 9. The 20% concessionary rate will apply to a maximum CIF Value of US\$35,000 with full duties/SCT/GCT being payable on the excess thereof.
 10. It is a requirement that where the concession is utilized, claims for upkeep, commuted/fixed allowance must be made in respect of the most recent vehicle secured at a 20% concessionary rate of tax. Claims in respect of any other vehicle should not be honoured except as provided for in The Staff Orders for The Public Service.
 11. Where the concession has been granted, the vehicle should not be sold or otherwise disposed of within three (3) years of the use of the concession, failing which the CET/GCT/SCT remitted becomes payable in full.
 12. In keeping with the Government's Motor Vehicle Policy, persons who have been assigned official motor vehicles are not eligible for the 20% duty concession. Persons

who are eligible for an assigned motor vehicle and who decide not to take up the facility may benefit from the 20% concession. Where the request is being made by the applicant, he/she must indicate in writing that they have opted to forgo the benefit of an assigned official vehicle for the next five years.

13. Applicants are reminded that where separation from the Service occurs, whether voluntary or involuntary, before the three (3) year restrictive period for the concession has expired, the Ministry/Department/Agency should report the matter to the Minister of Finance and Planning, as the full duties that were remitted when the car was acquired becomes due and payable.
14. Where an applicant qualifies by virtue of being elected to an office, if that person resigns from the office or disposes of the vehicle before three years have passed, then the full duties remitted become payable immediately.
15. All applications are to be accompanied by a copy of the applicant's valid Jamaican Drivers Licence.
16. Applications are to be submitted accompanied by a copy of an invoice with details including the cost of the vehicle (C.I.F. value), engine size/capacity, the year, make and model of the vehicle.
17. Applications for person who are close to requirement and will be leaving the service before the three (3) year restrictive period has expired are only considered on condition that:
 - (i) The officer cannot leave the Service prior to the commencement of his/her retirement whether voluntary or involuntary. If this occurs, the duties remitted become payable.
 - (ii) Whilst on retirement, the officer cannot sell, dispose or transfer the vehicle for a period of three (3) years from the date of use of the concession.
 - (iii) Once granted, no further requests for any amendment will be considered.

N.B.

- ◆ Incomplete applications will not be processed and will be returned to applicant's Human Resource Office.
- ◆ Material changes (motor vehicle, name etc.,) should be submitted through HR.
- ◆ Requests to withdraw the application should be submitted through HR.
- ◆ Revised application forms are available for download from the Ministry of Finance and Planning website www.mof.gov.jm.



Devon Rowe
Financial Secretary

**Copy: Houses of Parliament
Parliamentary Ombudsman
Permanent Secretaries-**

- Office of the Prime Minister and the Ministry of Defence, Development, Information and Sports**
- Ministry of Finance and Planning**
- Ministry of Foreign Affairs and Foreign Trade**
- Ministry of National Security**
- Ministry of Education**
- Ministry of Youth & Culture**
- Ministry of Water, Land, Environment and Climate Change**
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- Ministry of Justice**
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- Ministry of Transport, Works and Housing**
- Ministry Tourism and Entertainment**
- Ministry Science, Technology, Energy and Mining**
- Ministry of Agriculture and Fisheries**

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- KSAC**
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- Chairman – 4H Clubs**
- Chairman – Jamaica Foundation for Lifelong Learning**
- Chairman – Overseas Examination Commission**
- Commissioner – Jamaica Fire Brigade**
- Independent Commission on Investigations**
- Early Childhood Commission**
- Secretary Manager – Integrity Commission**
- Secretary – WIGUT**
- Registrar – University of the West Indies**
- University Hospital of the West Indies**
- Director General – Statistical Institute of Jamaica**
- Executive Director – Bureau of Standards**
- Office of Disaster Preparedness**
- Scientific Research Council**
- National Family Planning Board**
- Broadcasting Commission**
- Rural Agricultural Development Authority**
- National Environmental Planning Agency**
- Fair Trading Commission**
- Drug Abuse Secretariat**
- Consumer Affairs Commission**

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