

IMPORTANT PUBLIC NOTICE



Medical Benefits Scheme

The payment of contributions of employees aged 60 years or over

Employers are required to deduct and remit to the Medical Benefits Scheme 2 ½ % of the salary or wages of employees who have "...attained the age of 60 years or over but who [have] not attained 70 years of age.". However, employers of the said employed persons are not required to match the employees' contribution.

The payment of contribution by self-employed persons

Persons (employers and in effect the self employed) who own a business, "...aged 16 years or over but who [have] not attained 60 years of age..." are now required "...to pay contributions to the Scheme [on their behalf] at a rate of 5% of the category in which [their earnings fall]..." This obtains, as pursuant to the Medical Benefits Act 2010 and MBS Regulations 2011, "contributions to the Scheme shall be made ... by every self-employed person..." This is buttressed by the explanation that an "...employer includes a self-employed person where the context so permits and a self-employed person is a wage earner and an employer of himself." Additionally, by definition, enshrined in the law, "a self-employed person is a person who works for himself in a trade, business, profession or activity that he operates to provide services or products to customers and includes directors of corporations."

The payment on outstanding amounts at the end of the financial year (December)

Where a person has payments due to be paid to the Medical Benefits Scheme outstanding at the end of a financial year, they shall pay an amount representing 5% of the payment due to be paid to the Scheme for that year in addition to the 10% "...penalty for the late payment of [monthly] contributions."

THIS BECOMES EFFECTIVE 2ND JANUARY 2014