

2018/10/04

OBJECTS AND REASONS

This Bill would amend the *National Insurance and Social Security Act*, Cap. 47 to provide for the imposition of a health service contribution and validate the purported payment and collection of health service contributions from 1st October, 2018.

Arrangement of Sections

1. Short title
2. Repeal and replacement of section 20A of Cap. 47
3. Amendment of section 20B of Cap. 47
4. Repeal and replacement of section 20D of Cap. 47
5. Consequential amendments
6. Validation

SCHEDULE

CONSEQUENTIAL AMENDMENTS

BARBADOS

A Bill entitled

An Act to amend the *National Insurance and Social Security Act*, Cap. 47 to provide for the imposition of a health service contribution and validate the purported payment and collection of health service contributions from 1st October, 2018.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *National Insurance and Social Security (Amendment and Validation) Act, 2018*.

Repeal and replacement of section 20A of Cap. 47

2. *Section 20A of the National Insurance and Social Security Act, Cap. 47, in this Act referred to as the principal Act, is repealed and the following substituted:*

“Health Service contribution

20A. There shall be payable in respect of every person to whom sections 12, 12A, 13, 13A and 14 relate a contribution to be known as a “Health Service contribution” at such rate as may be prescribed in the regulations.”.

Amendment of section 20B of Cap. 47

3. *Section 20B(2) of the principal Act is repealed and the following substituted:*

“(2) Contributions collected under this Part shall be paid to the Queen Elizabeth Hospital.”.

Repeal and replacement of section 20D of Cap. 47

4. *Section 20D of the principal Act is repealed and the following substituted:*

“Commencement of Part IIA

20D. This Part shall come into operation on 1st October, 2018.”.

Consequential amendments

5. *The enactments set out in column 1 of the Schedule are amended to the extent set out opposite thereto in column 2.*

Validation

6. *Notwithstanding sections 3(2) and 5 of the Provisional Collection of Taxes Act, Cap. 85, health service contributions purportedly paid and collected from 1st October, 2018 to the date of commencement of this Act are deemed to have been validly and lawfully paid and collected.*

SCHEDULE

(Section 5)

CONSEQUENTIAL AMENDMENTS

Column 1

Column 2

Enactments

Amendments

1. *National Insurance and Social Security (Collection of Contributions Regulations, 1967*

In the Schedule, insert after paragraph 1B, the following:

"**1C.** Notwithstanding paragraph 1, with effect from 1st October, 2018, the rates of insurance contributions under section 20A of the Act are as follows:

(a) insured or employed person's weekly contribution
... .. 1%;

(b) employer's weekly contribution ... 1.5%;

(c) employer's total weekly contribution
... .. 2.5%".

2. *National Insurance and Social Security (Self-Employed Persons) Regulations, 1970*

In the First Schedule, delete the words "15.50%" and substitute the words "16.50%".