



Bermuda waives employer payroll taxes for new hires

By Fiona Webster and Stephanie Rosseau
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The Payroll Tax Amendment Act 2020 extends payroll tax relief for new hires to eligible employers. The act — which also includes payroll tax rate changes — was announced in the 2020-2021 budget statement and took effect on 1 Apr 2020.

Highlights

- Employers that are current with payroll tax payments can apply to the commissioner for a waiver of employer-paid payroll taxes for the tax period from 1 Apr 2020 to 31 Mar 2022.
- Employers must have a payroll between BM\$500,000 and BM\$1 million that is subject to payroll tax. They cannot be in receipt of any other payroll tax relief.
- Qualifying employees must work 15 hours or more per week and be hired between 1 Apr 2020 and 31 Mar 2022. New hires must add to the employer's headcount calculated on the March 2020 payroll, and the employer must maintain the increased workforce. Employees who join the organization following a company merger or acquisition don't qualify for the payroll tax exemption.

Related resources

- [Payroll Tax Amendment Act 2020](#) (Government, March 2020)
- [Calculating payroll tax for the period April 1, 2020 – March 31, 2021](#) (Government, February 2020)

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