NATIONAL INSURANCE SCHEME (N.I.S.)

INSPECTIONS

THE SCOPE OF N.I.S.

The **National Insurance Scheme** (N.I.S.) is a compulsory contributory funded social security scheme, which offers financial protection to the worker and his/her family against loss of income arising from injury on the job, incapacity, retirement and death of the insured.

AUTHORITY OF AN N.I. INSPECTOR

(N.I. Act) Part 5, Section 37, outlines that for the purpose of the Act or the Regulations -

1) An Inspector shall, for the purpose of this Act or the Regulations, have power to do all or any of the following:

- Entering at all reasonable times any premises or place (other than a private house).
- Examine and inquire to ascertain whether the provisions of the Act or Regulations are being complied with in such premises or place.

AUTHORITY OF AN N.I. INSPECTOR

In addition, Regulation 21 (1) of the National Insurance (Collection of Contributions) Regulations gives the Inspector the authority to examine the records of employers.

“Every employer, whenever called upon to do so by an Inspector/Compliance Officer shall produce the Inspector for inspection:

- **All** wage sheets and other documents and records.

RESPONSIBILITIES OF AN N.I. INSPECTOR

The responsibilities of an Inspector/Compliance Officer shall include, but are not limited to:

a) Identify and ensure that all liable emloyers and self employed persons are registered under the NI Act;

b) Ensure that all persons in insurable employment become registered.

c) Ensure that the contributions of all employed and self-employed persons are properly recorded, deducted and remitted and

d) Undertake case work involving special investigations.

GETTING READY FOR THE ROAD

Each Inspector/Compliance Officer is assigned to particular area (s) within the relevant parish. An Inspector/Compliance Officer should always be prepared with the following:

- MLSS staff Identification Card
- A copy of the NI Act and Regulations
- Diary and or notebook
- Calculator
- Employees Registration Form (R2)
- NIS literature such as brochures and leaflets

GETTING READY FOR THE ROAD

- Employer's Monthly Statutory Remittance Payroll Deduction Form (SO1)
- Employer's Annual Return Form (SO2)
- Self Employed payment voucher (SO3)
- Self Employed Annual Return (SO4)

INSPECTION

The objectives of inspections are to ensure that employers and self-employed persons comply with the provisions of the NI Act and Regulations through:

- the registration of businesses
- ensuring that all employees and self-employed persons are registered under the NIS
- the correct calculation of contributions -

Five percent (5%) of gross salary, that is:

(2½% by the employee matched by 2½% by the employer.)

INSPECTION

- The remittance of contributions to Tax Administration of Jamaica (TAJ) and
- The submission of Annual Returns

TYPES OF INSPECTIONS

1) Classification and Insurability

(For newly identified businesses)

2) Routine Inspections

(For entities for which there are pre-existing knowledge of their existence).

DURING THE INSPECTION

- NEW EMPLOYERS/OPERATORS
- EXISTING BUSINESSES
- SELF EMPLOYED
- NI Employment Injury Benefit (E.I.B.) - OSH
- Routine Inspection - Child Labour Unit

THANK YOU