



New NIB Contribution Rate to take effect June 1, 2010

For the first time since the National Insurance programme started in 1974, the rate of contribution payments will be increased for employed persons. Beginning June 1, 2010, the rate will be increased by 1% – one half percent (.50%) to be paid by the employer, and one-half percent (.50) to be paid by the employee. This means that the current rate of 8.8%, shared 5.4% for employer and 3.4% for employee, will change to 9.8%, **shared 5.9% for employer, and 3.9% for employee.** This translates to a maximum weekly increase of \$2 for the employer and \$2 for the employee.

The increase was necessitated by the addition of Unemployment Benefit to the National Insurance benefits package; it will only impact *Employed Persons* - i.e., persons who have bosses. The rate of contributions for all other contributors - self-employed persons, voluntarily insured persons, and Summer students - will not change because contributions paid by them in these categories will not qualify them to receive Unemployment Benefit.

NEW CONTRIBUTION RATES FOR EMPLOYED PERSONS

ACTUAL WAGES	INSURABLE WAGES	CONTRIBUTIONS PAYABLE AS PERCENTAGE OF INSURABLE WAGES BY		
		Employee	Employer	Total
Weekly	Weekly			
up to \$59.99	Actual wages up to and including \$59.99	2.2%	7.6%	9.8%
\$60 and above	Actual wages from \$60 to <u>*\$400</u> (*insurable ceiling)	3.9%	5.9%	9.8%

NEW CONTRIBUTION RATES FOR PENSIONABLE CIVIL SERVANTS

(Who pay on a reduced ceiling for general long-term benefits)

ACTUAL WAGES	INSURABLE WAGES	CONTRIBUTIONS PAYABLE AS PERCENTAGE OF INSURABLE WAGES BY		
		Employee	Employer	Total
Weekly	Weekly			
up to \$59.99	Actual wages up to and including \$59.99	2.2%	7.6%	9.8%
\$60 to \$110	Actual wages from \$60 to \$110	3.9%	5.9%	9.8%
\$110.01 and above	(a) first \$110	3.9%	5.9%	9.8%
	(b) Actual wages of \$110.01 up to <u>*\$400</u> (*insurable ceiling)	2.2%	3.05%	5.25%

Visit www.nib-bahamas.com for more information or to download the new contribution tables.