

fax number, island and email address, are printed legibly.

### WHEN SELF-EMPLOYMENT ENDS

If self-employment ends before the end of the year, the self-employed person must inform his nearest NIB Local Office; should he not do so, the account will remain open and contributions will be expected.

### FURTHER INFORMATION

- **Claiming Industrial Benefits**

The self-employed person who sustains an injury while working must complete the B-44 S/E form detailing the accident. This form, along with a B-72 form, which is the claimant's authorization for NIB to obtain medical information that may assist with the accident approval process, must be brought to the nearest NIB Local Office as soon as possible.

If injury results in time off from work, a medical certificate of incapacity (Med-1) must be submitted to the Local Office.

#### Medical Care

To obtain initial emergency Medical Care, an 'Interim Report of Accident' must be completed by or on behalf of the self-employed person and submitted to the health care facility of his choice. A copy of this report is also to be submitted along with the B-44 S/E form to the NIB Local Office. The facility is to obtain pre-approval from NIB before treating the patient at no cost to him/her. If the industrial injury happens after normal working hours, the injured self-employed person will have to pay the hospital costs and seek re-imburement from National Insurance once

it is verified by NIB that the event was, indeed, industrial in nature.

- **Penalties**

Payment of National Insurance contributions is not an option, it's the law. If you are a self-employed person and you fail to pay contributions, or you fail to provide information on your wage status, then you will be subject to penalties ranging from a minimum of six months in jail or a fine of \$1,000, or both, to a maximum of 12 months in jail, or a fine of \$2,500, or both.

Additionally, businesses/persons not registered within 10 working days of commencement of employment activities will be liable to be fined.

- **The National Insurance Act**

This leaflet gives basic information on Self-Employed Persons; for further details on this and any other aspect of the country's Social Security Programme, please refer to the National Insurance Act & Regulations, 1972.



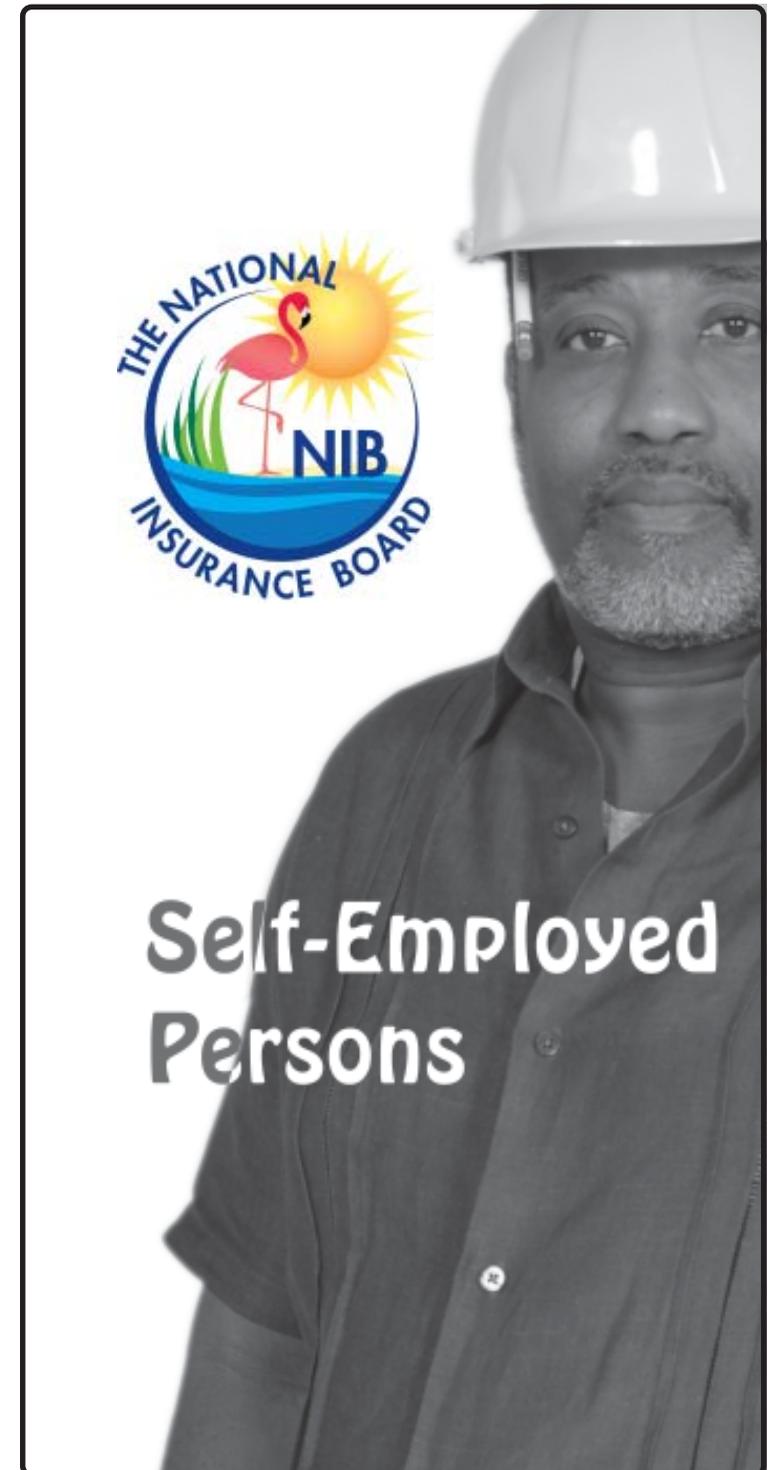
*If you have questions on self-employment or any other National Insurance related matter, please visit your nearest Local Office, or call:*

**CALL-NIB (225-5642)**

**Website: [www.nib-bahamas.com](http://www.nib-bahamas.com)**

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## Who are Self-Employed?

The term “*self-employed*” describes a person who works for money, but does not have a boss. Self-employed persons fall into three main groups:

- i. individuals such as contractors, farmers, barbers, hairdressers, shopkeepers, tailors, dressmakers, doctors, lawyers, accountants, artists, transport operators, and members of professions in independent practice;
- ii. agents who may have more than one job, and who are paid by commission or fees or who share in profit; and
- iii. a married person who is a partner or who works for or with his/her spouse.

Also grouped as self-employed are the Governor-General, the Prime Minister, Cabinet Ministers, Members of Parliament, and Senators.

## Classes of Self-Employed Persons

As of January 1, 2011, the distinction made between self-employed persons in classes “A” and “B” is no longer particularly relevant. Prior to the 2010 Amendments that took effect on January 1, 2011, the main difference between the two classes was that self-employed persons in Class “B,” paid contributions at a higher rate than Class “A” and was, therefore, eligible for industrial benefits. From January 1, 2011, all self employed persons pay at the same rate and have the same benefit entitlements.

## Benefits Payable to Self-Employed Persons

All Self-Employed persons are required to pay contributions monthly at a rate of 8.8% of their average insurable income. The payment of contributions entitle them

to all National Insurance benefits, with the exception of Unemployment Benefit.

## Contributions

A self-employed person shall pay contributions at the rate of 8.8% of his insurable earnings up to the insurable ceiling, based on his/her income in the previous calendar year. Where a person was not self-employed for a full year, contributions shall be paid at the rate corresponding to the rate last paid as an employed person. If he was not previously employed, he shall pay contributions based on an estimate of his income from self-employment. (NIB’s Inspectors are empowered to examine income records to confirm that the amount set is consistent with actual earnings.)

Once the income level is set, the individual must pay contributions based on that amount for the entire year; at the end of the year, he can re-evaluate the year’s earnings and make adjustments as needed for the subsequent year.

## Pay Properly

Please pay contributions at the correct rate: The ceiling on insurable wages as of July 1, 2018, is \$670 weekly/ \$2,903 monthly.

## Pay on Time

With the changes brought by the 2010 Amendments that took effect in January 2011, it has become vitally important that self-employed persons pay contributions on time. It is a requirement for the receipt of Industrial Benefits that a self-employed person be up-to-date with his contributions or less than 60 days in arrears.

Contributions are payable monthly. They must be received into the Board no later than the 15th day of the month following the month they were payable. Contributions received after the 15th are late; interest, calculated at the prime rate, would be automatically applied from the first of the month following the month they became late. (Eg., Contributions for the month of January are payable by February 15. If unpaid, interest is charged from March 1.)

A monthly contribution statement - Form C.10(SE/V) - must be handed in with each payment.

## On Completing the C-10(SE/V)

Form C-10(SE/V) should be completed in duplicate, and

Form C.10 (SE or V) Monthly Contribution Statement. The form includes fields for Name (JERRY DOE), ID Number (123456789), and Address (12345 MAIN ST, OTTAWA, ONTARIO). It features a table for 'RETURN OF CONTRIBUTIONS PAID' with columns for Year, Month, Contribution Rate, and Total Contributions Paid. The table shows data for 2018: July (Rate 8.8%, Total \$255.60) and August (Rate 8.8%, Total \$255.60). The total contributions paid for 2018 is \$511.20. The form also includes a section for 'CERTIFICATION' and 'SIGNATURE'.

typed or written in ink in block letters.

Ensure that:

- all columns are completed and totalled correctly;
- The form is completed in triplicate and duly signed;
- the amount of the cheque/cash equals the total on the Form; and
- the name, registration number, telephone number, National Insurance number, address, cellular number,