

Waiver of Penalties and Interest FAQs

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1. Q: Is the waiver of penalties and interest under the National Insurance Act in effect?

A: YES. The legislation to provide for the waiver of penalties and interest- The Finance Act 2023 (the Act) was assented to by the President on **21st December 2023**. The waiver of penalty and interest is legally in effect from 20th December 2023.

2. Q: Who does the waiver apply to?

A: This waiver applies to an employer who was registered with the National Insurance Board prior to December 20, 2023.

3. Q: What penalty and interest does the waiver apply to?

A: It provides for the waiver of all penalties and interest due and payable under section 39B of the Act in respect of –
(i) contributions paid prior to 20th December 2023; and
(ii) outstanding contributions as at 19th December 2023 that are paid during the period 20th December, 2023 to 31st January, 2024.

4. Q: Am I required to pay my monthly contributions during the period of the waiver?

A: Yes. The waiver does not affect the obligation of an employer to pay contributions by the last day of every month in accordance with the National Insurance Act.

5. Q: Does an employer have to apply for the waiver?

A: No. During the waiver period, employers may make payments towards outstanding contributions and submit the relevant NI 187 and NI 184 forms to identify the period up to 19th December 2023 being paid for without penalty and interest.

6. Q: Will an employer whose debt is only penalty and interest as at 19th December 2023 be entitled to the waiver?

A: Yes. The Act provides for the waiver of all penalties and interest due and payable in respect of contributions paid prior to 20th December 2023.

7. Q: What happens if the employer has accessed the waiver, and, at the end of the waiver period, only partially liquidated their debt?

A: Where an employer fails to pay his outstanding contributions by the stipulated deadline, the penalties and interest which would have been payable in respect of the failure to pay the contributions shall be revived and become payable as if the waiver had not been granted.

8. Q: If an employer requests an audit and the audit is not completed before the end of the waiver period, will the waiver period be extended for this employer?

A: The NIBTT has no authority under the Act to extend the waiver period.

9. Q: Can an employer remit payment for the waiver using only the NI 187 forms?

A: All payments must be accompanied by the relevant NI 184 forms.

10. Q: Can the registration of an employer who is registered during the waiver period be revoked?

A: Yes. An employer who registers during the waiver period can have their registration revoked within the parameters of the law.

11. Q: Will an employer have to pay penalties and interest on outstanding contributions up to 19th December 2023 if the NIBTT establishes a debt for this period after 31st January 2024?

A: Yes. The waiver is not applicable where the employer did not pay during the waiver period.

12. Q: Can contribution payments for an arrears period be made via the NIBTT's Online Payment Facility?

A: Yes. Payments may be remitted via your online banking arrangements and the requisite information submitted via the NIBTT's website to verify the period of the payment and the employees for whom payment was remitted.

13. Q: Does the waiver apply where there is a court judgement against an employer for a sum which includes penalty and/or interest?

A: No. The waiver does not apply where there is a Court judgement, as the outstanding amount is now a judgement sum.

14. Q: Can the Waiver be extended?

A: The Minister of Finance may by Order, extend the date for payment of contributions and the waiver of associated penalties and interest.