



*Office of the Chief Secretary*

## **PAY DEDUCTIONS WILL BE CORRECTED IN PAY 2, 2024**

Chief Secretary to Government, Ivan Pomaleu, has issued a statement confirming that Pay 2, 2024 will correct any deduction of Pay 1, 2024, as a result of the non-configuration of the income tax threshold of K20,000.

“In Pay 2, officers affected by the now permanent income tax threshold of K20,000 should expect to see a correction of the deduction from Pay 1.

“You should also see the correct tax application in Pay 2. Your total net pay will therefore be slightly higher. However, it will go back to the normal pay level in Pay 3. That means that the normal pay and the normal tax, per the permanent tax threshold, will apply going forward.

“This is, therefore, a courtesy advice that in Pay 3, the normal pay will run, and it should reflect the correct tax levels. It should, therefore, not cause any anxiety when the take-home pay reverts back to the correct level in Pay 3. Other case by case HR adjustments that apply to individual pays should appear in the normal way,” Chief Secretary Pomaleu said.

An income tax threshold is the level of salary where zero tax applies. Any residual amounts over and above the income tax threshold, in this case, K20,000, will be taxed at an appropriate level.

Ambassador Pomaleu also confirmed that the Dependent Tax Rebate should not be implemented, as the appropriate Act has not been certified by the Acting Speaker of Parliament after it was passed in the 2024 National Budget.

“I would like to advise that until the Act is certified, the Dependent Tax Rebate should not be implemented by any employer.

“We apologize if any employer has already implemented this rebate. The Government has advised that the Dependent Rebate is being recommended for withdrawal as the overall intention of Budget 2024 was to help our workers and people,” he said.

All officers of the government are encouraged to seek clarifications with the Human Resources Branch or Division in the first instance should they see any pay discrepancies in their pay slips.

**Authorized by:**

**IVAN POMALEU, OBE**  
**Chief Secretary to Government**