

Lesson 5 Objectives

- To understand the purpose of the Income Tax Instalment Scheme.
- To understand how the ITIS rate is calculated.
- To know 3 things that may cause an ITIS rate to change.
- To be able to describe the difference between full year and part year rates.
- To be able to explain why it is a good idea to file your tax return early in the year.
- To list 5 things to check on your ITIS rate notice when you receive it.
- To name the 2 options for Government account digital IDs.
- To know 3 differences between the Digital ID options.

Homework

Knowledge to deliver

1. Research the Digital ID options you have to activate your account on the one.gov.je website
2. If you are 16 or older, have the identity documents you need, and you'd like to, you can go ahead and activate your account.

Please ensure all students, and you complete the 2-minute online feedback form if possible before leaving the classroom.

Topic / Item No.	Knowledge to deliver	Resources	Time
2. Recap	How did the spot the difference go? What do you think about the extra things to consider and do?	Item 2 answer sheet	
3. “What is the Income Tax Instalment system – ITIS Part 1”	<ul style="list-style-type: none"> ➔ Your ITIS slip is a legal instruction to employers ➔ Your percentage = total estimated tax, divided by remaining earnings for the year ➔ Your role – giving the rate to your employer, and updating RJ when your circumstances change 	Video 15 ITIS Part 1	7 mins (Watched twice)
4. Activity – ITIS rate calculations	Task is to Work out the ITIS rate. Refer to the ‘ITIS Rate Scenarios Worksheet + Answers’ to check answers / feedback to students.	Scenarios Worksheet	7 mins
5. “Why the key word is estimate, and the effect of rounding up”	<ul style="list-style-type: none"> ➔ Estimating tax is like estimating the petrol you’re going to use in the year ahead. ➔ Keep things on track with accurate information and prompt updates if things change ➔ We don’t do decimal points in our % rates ➔ We always round up, as people prefer to be a little over and have a credit towards next year 	Video 16 ITIS Part 2	7 mins (Watched twice)
4. Activity – ITIS credit calculations	Work out how much money would be left over as a credit towards the next year. Refer to the ‘ITIS Rate Scenarios Worksheet + Answers’, to feedback to students.	Scenarios Worksheet	mins
6. “When actuals replace estimates, and why it pays to file early”	<ul style="list-style-type: none"> ➔ tell us about changes promptly, so you don’t get your actual bill and find you’ve not paid enough ➔ We add what you owe from last year into your current ITIS rate ➔ It makes paying your outstanding tax easier to manage than a lump sum. ➔ The earlier you file, the more months the smaller the extra amount per month 	Video 17 ITIS Part 3	9 mins (Watched twice)
3. Activity ITIS 2 year payment calculations	Work out what new ITIS rate is needed to pay both the current year estimated tax, and underpayment from the previous year. Refer to the ‘ITIS Rate Scenarios Worksheet + Answers’ to check answers / feedback to students.	Scenarios Worksheet	mins
7. “Reviewing your ITIS rate”	<ul style="list-style-type: none"> ➔ Full year and Part year rates ➔ 5 things to check ➔ Action you may need to take 	Video 18	9 mins (Watched twice)
1. One.gov.je accounts and digital ID set up	There are presenter speaker notes, very simple, to accompany the slides. Please note that for slide 2 and 3, there are 2 features described on each slide, and the image will change from the first to second feature automatically after 3 seconds.	Slide deck	8 mins