

Trinidad and Tobago is a dual-island country in the Caribbean with Creole traditions and food. Trinidad's capital is the Port of Spain, and the island is home to various bird species. Tobago is the smaller island and it's known for the Tobago Main Ridge Forest Reserve and beaches.

If you're considering an expansion to Trinidad and Tobago, one of the first things you need to set up is your payroll. You must consider the various Trinidad and Tobago payroll options, choose the one that best fits your needs, and be sure to stay compliant. Globalization Partners can help through Trinidad and Tobago payroll outsourcing. Add your employees to our existing payroll to start working quickly without worrying about navigating regulations.

Taxation Rules for Payroll

Employers and employees must pay the correct taxes in Trinidad and Tobago. Employers are required to contribute 8% to NIS and 6.23% to the Pension Fund. Employees also contribute to NIS and the Pension Fund at 4% and 3.11%, respectively. Income taxes run under a Pay As You Earn (PAYE) system, and employees are not taxed on their first TT\$ 84,000 (as of 2021). Excess salary is taxed at 25% if the chargeable amount is below \$1 million annually. Any income above that is taxed at 30%.

Trinidad and Tobago Payroll Options

You have four different Trinidad and Tobago payroll options to choose from when expanding:

- **Internal:** An internal payroll exists at your subsidiary. You will need to make sure you have the staff, knowledge, and time to run your own payroll and stay compliant.
- **Remote:** Another option is to run your payroll from your parent company and pay your Trinidad and Tobago employees remotely. This will give you a centralized payroll, but you need to follow different laws for employees from each country.
- **Trinidad and Tobago payroll processing company:** Choosing a local company to outsource your payroll helps you invest back into the local economy. However, they cannot handle compliance management, so you will need to ensure you follow the applicable laws.
- **Trinidad and Tobago payroll outsourcing:** Outsourcing with Globalization Partners

means you won't need to worry about your payroll or compliance. We'll make sure your employees get paid the right amount at the right time.

Requirements to Set Up a Trinidad and Tobago Payroll

If you choose not to outsource your payroll, you will need a registered subsidiary in the country. The subsidiary structure gives you the authority to run payroll, hire employees, provide compensation and benefits, and more. However, most companies need months or even a year to establish a subsidiary and learn all the applicable laws. Contracting Globalization Partners instead will help you expand quickly since you can use our existing subsidiary to work in Trinidad and Tobago.

Entitlement and Termination Terms to Know

Knowing the right entitlement and termination terms in Trinidad and Tobago is important before hiring employees. You must give all employees one month's notice of termination, and employees need to give you two weeks' notice in a written resignation letter. Employees who have worked for your company between one to five years should get two weeks of pay for every year employed. Each year beyond five years of work requires three weeks of severance pay.

Trinidad and Tobago Payroll Outsourcing With Globalization Partners

Choosing Trinidad and Tobago payroll outsourcing with Globalization Partners is the fastest and easiest way to work in the country. [Contact us today](#) for more information.