



# Wage & Salary Tax

## Refund to nonprofit corporation

An employee may receive a refund for an amount paid if the employee files with the Director a verified receipt for a payment made during the tax year for:

- A payment for preschool, elementary, secondary, or post-secondary school tuition for the employee's children or those under the employee's children; or
- A financial contribution by the employee to the Our Ocean Conference 2020 Fund, the Palau Community College, or a nonprofit corporation which meets the requirements set out in regulations.

### **What is the cap on salary and wage tax contributions towards nonprofit corporations?**

The refund allowed must not exceed 10% of the income taxes paid by that employee in that tax year.