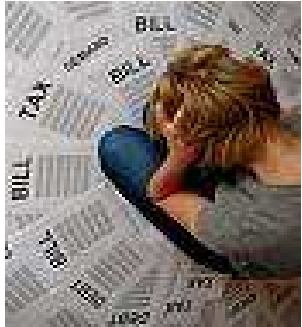


CRS TIMES

Edition : 11 November / December 2009

TAX RESPONSIBILITIES OF SENIOR STAFF

New legislation was recently passed in the UK which seeks to address a perceived tax accountability gap among Senior Management of company's and enforce the responsibility for tax beyond the tax role. SA could seek to adopt this legislation, now that an international precedent has been set. The legislation also appears to give effect to recommendations made by the G20 Group of Leaders. There is also likely to be a reluctance of people taking up positions of seniority in tax and financial departments, given the penalties that may be imposed on them personally. In effect, the new law requires senior financial staff to take personal responsibility for tax processes and systems.



TAKING ACCOUNT OF EXPAT BENEFITS



Over the past few years, there had been a marked increase in the number of expatriates working in SA. Provision of fringe benefits can include use of accommodation, company car, armed response, subsistence allowance etc. In some cases, the settlement of local tax liabilities of an Expats SA tax obligation, could exceed the foreign tax obligation which the Expat would have incurred had he/she remained in their home country. This so called " tax equalization" also constitutes a fringe benefit. A common mistake made by many company's in SA, is that they do not withhold PAYE in respect of these fringe benefits provided, where expats are physically present in SA for 183 days or less. Company's are encouraged to put expats on a separate payroll to take into account the various unique tax complexities: eg: tracking the number of days & historic remuneration figures for purposes of calculating the residential accommodation fringe benefit.

DIRECTORS : NO PLACE TO HIDE

The potential liability of a Director has been amplified with the new Companies Act. Section 76 of the new legislation sets out the required standards of a Directors conduct and if proceedings against a Director are undertaken, they must be commenced within 3 years after the act or omission that gives rise to the Directors liability. In summary, a Director will not be able to escape liability on the excuse of non involvement with a Board's decision or with the actions of the Company. A Director may be declared delinquent or placed under probation if he/she grossly abuses the position of Director, takes personal advantage of an opportunity that should be an opportunity for the company or intentionally or by gross negligence inflicts harm upon the company.



DECEMBER 2009 OFFICE CLOSURE



Just a reminder to all our customers that our offices will be closed over the Christmas and New Year periods as follows :

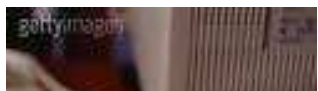
Office will close on the **24th December 2009** at 14:00hrs

Office will reopen on **4th January 2010**

In case of an emergency, please contact your Consultant.

YEAR END MESSAGE FROM OUR CEO

Despite the world wide recession and challenges we face, business sentiment is starting to pick up. The past year has been a difficult one for most—to say the least, however, we are confident of a



sentiment is starting to pick up. The past year has been a difficult one for most—to say the least, however, we are confident of a brighter future and encourage you to share our confidence. We at CRS have managed to keep on track and are well geared and looking forward to renewed energy and focus in the coming year. I take this opportunity of thanking each and every one of our loyal customers and users for their continued support and assure you of our efforts to continue to provide the “ Best Payroll & Human Resources Solutions”. I would also like to take this opportunity of thanking the Management and Staff of CRS for their support and efforts during this year. A wish of Peace, Happiness & Prosperity for 2010 is extended to all. James McKerrell



SARS NEW STATUTORY REQUIREMENTS

Over the past few months, we have been keeping you advised of the many important statutory changes that SARS have been reviewing. The extensive statutory changes are scheduled to take effect on the **1st March 2010** . A summary of some of the pending changes :

Changes to Car Allowance taxation

Changes to Medical Aid Benefits and taxation

Taxation and treatment of Retirement Annuities

Revised Bank details and Employee contact details

SARS Code changes & combining of selected codes

ITREG Registration of Employees for Tax

New Company Trade Classification codes

Etc

Please contact your Consultant for any required support you need to ensure that your payroll system is updated to meet the revised SARS Statutory requirements by the 1st March 2010.




Seasons Greetings



HR & PAYROLL SOLUTIONS

constantly raising standards



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