

NOSC NEWS



HR & PAYROLL SOLUTIONS
constantly raising standards

CRS TECHNOLOGIES (PTY) LTD

OUTSOURCED PAYROLL SOLUTIONS

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TRAVEL ALLOWANCE

With effect from the 1st March 2010, 80% of a travel allowance was subject to the deduction of Employees tax. With effect from the 1st March 2011, an exception will be allowed in cases where the Employer is satisfied that at least 80% of the use of a motor vehicle will, during the year of assessment be used for business purposes, then only 20% of the allowance is subject to the deduction of Employees tax.



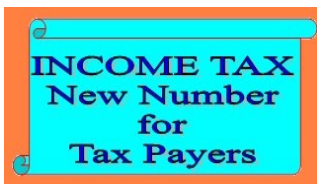
RETRENCHMENT

The R30,000.00 exemption that previously applied to retrenchment gratuity lump sum payments will be repealed with effect from the 1st March 2011

MEDICAL AID SCHEME CONTRIBUTIONS

The amount of medical contributions paid or deemed paid by an Employee to a medical aid scheme, which may be allowed as a deduction from remuneration before Employees tax is determined, cannot exceed the monthly capped amount. With effect from the 1st March 2011. The capped amounts will increase as follows: R670.00 increases to R720.00 in respect of only the taxpayer.

Severance benefit payments will now be taxable in terms of the retirement fund lump sum benefits tax rates applicable from the 1st March 2011.



As you are all aware, in an effort to improve the income tax process for taxpayers and the PAYE reconciliation process for Employers, SARS began the process of registering all individuals in formal employment for Income Tax, irrespective of whether they are required to submit an Income Tax return or not. SARS has now started making these tax reference numbers available to Employers.



R1,340.00 increases to R1,440.00 in respect of the taxpayer and one dependent. R 410.00 increases to R440.00 in respect of each additional dependent

DATES TO REMEMBER

Compensation Fund:

COIDA Return :
March of every year.

SARS SDL:

WSP : End of June every year.

Labour Department:

Equity Report :
1st October of every year for manual submissions.

15th January for online submissions.

SARS :

Monthly EMP 201 : 7th working day of each month.

Annual Employer reconciliations : Last working day of May

Mid Year Employer reconciliations : Last working day of October .

SITE TAX

Special provisions were introduced during the year 2010 to phase out SITE (Standard Income Tax on Employees), over a three year period which will now become effective from the 2012 year of assessment. This process does not affect Employers in any way and SITE calculations should continue to be done and duly reflected on Employee Tax Certificates as required.

NOSC NEWS SPOTS

ANNUAL PAYE RECONCILIATION

The submission period for the annual PAYE reconciliation declaration will be from the 4th April 2011 through to the 3rd June 2011.

OFFICIAL RATE OF INTEREST

The official rate of interest used for calculating fringe benefits in respect of low or interest free loans, will reduce with 50 basis points to 6.5% with effect from 1st March 2011.

COIDA LIMITS

The COIDA limit for the period March 2010 to February 2011 was R261,893.00. The COIDA limit for the period 1st March 2011 to February 2012 is R277,860.00

UIF—UI 19 FORMS

A reminder regarding the completion and submission of the UIF UI 19 Form : This form has to be completed by the Employer for every new staff member engaged by the company and for every current staff member that resigns from the company. Multiple entries can be detailed on the UI 19 Form. The form must be faxed to and then posted to UIF per contact details listed on the form.

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