

NOSC NEWS



HR & PAYROLL SOLUTIONS
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CRS TECHNOLOGIES (PTY) LTD

OUTSOURCED PAYROLL SOLUTIONS

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BCEA EARNINGS



On the 13th May 2011 the Minister of Labour increased the annual threshold earnings from R149,736.00 (R 12,478.00 pm) to R 172,000.00 (R14,333.33 pm) with effect from the 1st July 2011. " Earnings " refers to the regular annual remuneration before deductions, ie: income tax, pension, medical and similar payments but excluding similar payments made by the Employer in respect of the Employee: Provided that subsistence and transport allowances received, achievement awards and payments for overtime worked shall not be regarded as remuneration for the purposes of this notice.

IRP5's / IT3(a)'s

Just a reminder that for the April & May 2011 submissions, Employers are to ensure that the mandatory demographic fields on their IRP5 & IT3(a) certificates are correctly completed and updated as required. Employee Income Tax numbers **MUST** also be supplied. Failure to comply with these requirements will result in the imposition of fines by the S.A. Revenue Services.

PAYMENTS TO SARS

With effect from 1st May 2011, any payments made to SARS using the drop box on a business day must be received by no later than 15:00hrs, failing which the payment will be registered as having been received the following business day which could result in a late submission.

RETIREMENT FUNDING

The proposed changes to the taxation of retirement fund contributions announced by the Minister of Finance, whereby employer contributions should attract fringe benefit tax, could change the retirement landscape. These changes, if the proposals are accepted, are expected to come into operation on the 1st March 2012 . We will keep you updated as matters progress.

PART TIME EMPLOYEES POSE PENSION PROBLEMS



If the proposed amendment to the Basic Conditions of Employment Act relating to benefits offered to fixed term Employees is passed, Employers will have to provide benefits similar to, or of equal value, as those

DATES TO REMEMBER

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 : On or before 7th of each month except if the 7th falls on a weekend, then on Friday before the 7th.

Annual Employer reconciliations : Last working day of May

Mid Year Employer reconciliations : Last working day of October .

NOSC NEWS SPOTS

SARS EMP 701

A reminder to all Employers that the SARS EMP 701—Reconciliation Declaration Adjustment form—will still be used to make any changes to prior transaction years.

TAX SEASON FOR EMPLOYERS

Deadline date is : **3rd June 2011**
Employers will be liable for penalties of 10% of their total annual PAYE withheld if they:

- Fail to submit their annual EMP 501 declaration by the 3rd June 2011 and / or
- Declare incorrect or incomplete data on their IRP5 / IT3(a) certificates.

SARS EMP 501

It was the intention of SARS to have the EMP 501 pre-populated with the actual payments and declared liabilities received per month and that these fields would be printed in pink on manual EMP 501 forms. SARS have since advised that this enhancement will now only be scheduled for later this year.

ASYLUM SEEKERS

If employing an asylum seeker, an Employer must ensure that he/she has a valid passport and must be registered with SARS

for permanent Employees. This will result in additional cost to Employers, who may be required to offer similar contractual terms such as access to occupational pension funds. In relation to pension fund benefits for an Employee on a short term contract, the administrative cost and burden may not make business sense. Further details and awaited and we will keep you updated.

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