

2008

Urgent appeal to employers for Tax Season 2008

Pretoria, 12 August 2008 -- The South African Revenue Service (SARS) today urgently appeals to all employers in the country to submit their payroll records to SARS as soon as possible as there are only 13 working days left to do so.

To date 42 400 employers have submitted a Reconciliation Declaration (EMP 501 form) to SARS along with 2.5 million employee tax certificates [IRP5/IT3(a)]. The EMP 501 document is a reconciliation of taxes deducted from employee salaries (PAYE), payments made to SARS on behalf of employees and tax certificate information.

Employers have until 29 August 2008 to submit payroll information to SARS after which strong penalties may be imposed.

Non-compliant employers will make it very difficult for their workers to submit completed income tax returns when the filing period for individuals opens on 1 September 2008. This is because SARS will for the first time this year issue employees with pre-populated tax returns that already contain their information.

"A new emphasis is being placed on the information supplied by employers to SARS in respect of the PAYE deducted from employees. This year employers will be required to meticulously submit records which will ensure that SARS has accurate information about their employees. Employers are reminded that employees cannot begin filing until a reconciled declaration has been received from the employer," said SARS Commissioner Pravin Gordhan.

SARS has engaged a large number of employers since 1 July this year to assist them with the new requirements. Still, SARS believes are many employers who have not yet complied with the legal requirement to submit their declarations within a 60 day period which started on 1 July this year.

This information about the PAYE deducted and paid over to SARS will ensure that SARS has accurate information which will be used for 3 purposes:

- To pre-populate income tax returns for certain categories of individuals
- To verify (match) information supplied by individuals on their tax returns
- To make these income tax returns available to individual taxpayers from 1 September 2008

The following assistance from SARS is still available to all employees:

- The software is available for Windows and Mac download from the SARS eFiling website (<http://www.sarsefiling.co.za/>)
- SARS branch offices provide employers with a free version on disk of the e@syFile computer software. The programme compatible with all payroll systems extracts employee information from the payroll system calculates taxes deducted and payments made to SARS and completes the declaration process. The employer can save the results on disk and submit it manually to SARS or electronically via sarseFiling (<http://www.sarsefiling.co.za/>) before or on 29 August 2008
- The software programme is complemented by a free training video which provides a step-by-step guide in 7 chapters on how to apply the software
- Employers can find a list with details of all training workshops SARS is conducting for employers across the country on the SARS website: <http://www.sars.gov.za/>. Attendance is free of charge
- The SARS national call centre – 0860 12 12 18 – is available for any enquiries from employers and individuals

To date SARS has conducted more than 1 500 seminars across the country which was attended by more than 103 000 employers. SARS assisted more than 6 000 employers with payroll reconciliations.

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