

Media Releases 2011

Employers set record for 2011 tax season

Pretoria 9 June 2011 – SARS is pleased to announce that the 2011 Tax Season for Employers which ended on Friday 3 June 2011 has seen a record number of employers filing their annual reconciliation declarations on time.

A total of 235 882 employers have filed their reconciliations for the 2011 Tax Season for Employers compared with 212 969 employers that filed at the same time last year.

This year the employer declarations were accompanied by 14, 817, 176 IRP5 certificates which contain important information on employees. SARS uses these IRP5 certificates to pre-populate the income tax returns for individuals which need to be submitted as part of the upcoming Tax Season for Individuals.

SARS would like to thank those employers that have made every effort to file their reconciliations on time. However, we urge those employers who have not yet filed their reconciliations to make every effort to submit their reconciliation declarations immediately as penalties apply for late submission.

An administrative penalty equal to 10% on the total PAYE paid for the period of non-compliance may be imposed on the employer. However, there will be a provision for an employer to apply for the remission of the penalty.

In cases where employers can show that they have made every effort to meet their obligations, SARS will be sympathetic in considering such applications for remission of penalties. The principle that SARS will follow is that the more complete the employer's submission, the higher the proportion of the penalty likely to be remitted (on application) will be.

However, employers should note that the non-submission of the reconciliations has a direct impact on the ability of their employees to file their income tax returns as individual taxpayers. Where employers do not submit their reconciliation declarations, employees will not be issued with IRP5 certificates and will not be able to submit an income tax return.

This makes the Tax Season for Employers such a vital step in our annual tax cycle.

This year the Tax Season for Individuals (non-provisional) will run from Friday 1 July to Friday 25 November 2011 for taxpayers who make use of the fast and convenient eFiling method of electronic submission.

For taxpayers who still submit a manual/paper income tax return via post or via a drop box at a SARS branch, the deadline is Friday 30 September 2011.

The deadline for the electronic submission of annual returns by provisional taxpayers via eFiling is Tuesday 31 January 2012.

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