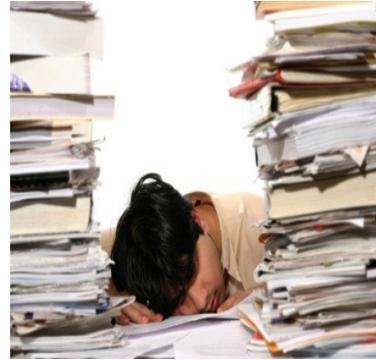


SAPA Conference
Spier, Stellenbosch
04 August 2011

INTRODUCTION

PAYE processes and forms, over the past few years, have been aggressively modernised so as to ensure better alignment between PAYE and Personal Income Tax. We have seen the introduction of new and improved forms, systems and processes that each year brings us a little closer to our goal.



The following enhancements will be introduced for the PAYE process:

- Changes to the EMP201 form
- Enhancements to the ITREG solution

EMP201 ENHANCEMENTS

The EMP201 form will be upgraded to **flex** for the **electronic channels** and the following fields **removed**:

- Initials, ID No, Date of Birth

These fields will be removed to make space for the electronic signature pad functionality.

Declaration

I declare that the information given on this form is complete and correct.

Date (CCYYMMDD)

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For enquiries go to www.sars.gov.za or call 0800 00 SARS (7277)

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Please ensure you sign over
the 2 lines of "X"s above

EMP201 ENHANCEMENTS

The Voluntary Disclosure Program container has also been added to all versions of the form

Voluntary Disclosure Programme

Is this declaration made in respect of a VDP agreement with SARS?

Y N

VDP Application No.

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Employer Details

 Trading or Other Name

 PAYE Ref No.

 SDL Ref No.

 UIF Ref No.
Particulars of Declarant

 First Name

 Bus Tel No.

 Surname

 Fax No.

 Position held at Business

 Cell No.

 Contact Email
Voluntary Disclosure Programme

 Is this declaration made in respect of a VDP agreement with SARS? Y N VDP Application No.
Payment Details

 Payment Reference No.

 Payment Period (CCYYMM)

 Total R ,

 PAYE R ,

 SDL R ,

 UIF R ,

 Penalty R ,

 Interest R ,

Penalty of 10% is payable on late payments. Interest must be calculated on a daily basis at the applicable prescribed rate. To view the table of rates, go to www.sars.gov.za

Declaration

I declare that the information given on this form is complete and correct.

 Date (CCYYMMDD)

 For enquiries go to www.sars.gov.za or call 0800 00 SARS (7277)

 XXXXXXXXXXXXXXXXXXXXXXXX
 XXXXXXXXXXXXXXXXXXXXXXXX

 Please ensure you sign over
 the 2 lines of 'X's above

EMP201 L FV 2011.02.00 SV 1101 CT NO


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RECON ASSISTANT

SARS introduced the PAYE Recon Assistant workflow in [December 2010](#) to assist employers in reconciling their EMP501 submissions i.e. Monthly declaration + Payments + IRP5/IT3(a) certificates = all to balance.

The PAYE Recon Assistant takes the employer through the Reconciliation process and provide the ability to [finalise an EMP501 submission](#). The steps are as follows:

Step 1: [Reconciling Payments Made to SARS](#) – during this step the employer verifies that all payments and capture any payments that are “missing”.

Step 2: [Reconciling Payments with Allocations](#) – during this step the employer ensures that the total payments, per period received, balances with

- ✓ the total EMP201 payment allocation for PAYE, SDL and UIF; and
- ✓ the total payment amounts declared on the EMP501 return.

RECON ASSISTANT

Step 3: Confirming Total Liabilities per Period – during this step the employer verifies all adjustments made in *step 2* and ready for processing.

Step 4: Balancing Payments to Certificate – during this step the employer confirms

- ✓ that the total values of IRP5 and IT3(a) tax certificates received by SARS are correct; and
- ✓ display any differences between the values of tax certificates and payments received and allocated by the Employer.

Step 5: Making a Final Payment for Period of Recon – during this step the employer instruct a payment(s) that may be outstanding for the recon period in order to finalise the reconciliation for the relevant period.

IT REG FUNCTIONALITY

Background:

During [September 2010](#) SARS implemented the [ITREG](#) functionality which allowed employers to [register their employees](#) for [Income Tax](#) using one of the below channels:

- eFiling
- e@syFile™ Employer
- Manually (Scanning)

IT REG FUNCTIONALITY

Bulk Registration

SARS introduced the [Bulk Registration process](#) and announced that [all](#) tax certificates submitted, together with the applicable EMP501 submission to SARS as at the end of August 2010, [without an Income Tax](#) number, will be included in a [Bulk Registration](#) process.

The tax certificates submitted with the 201008 (bi-annual) reconciliation submission, were verified to confirm if those certificates contained an Income Tax reference number. The certificates without a valid Income Tax reference number were validated and their demographic information on the Tax Certificate matched with systems and 3rd party data. The validated information were used to register the employees for Income Tax.

The bulk registration facility was only available for the 2010 August rollout.

IT REG ENHANCEMENTS

Feedback to the employer or taxpayer

After verification and registration, a **response** was sent back to the employer confirming tax. The feedback were given to those employers who used e@syFile™ Employer as the submission channel for the bi-annual reconciliations.

This feedback was provided during March 2011.

Enhancements

Bundled ITREG (new registration option): Where an employer applies for registration of **more than one individual** via eFiling/e@syFile™ Employer.

- **Bulk ITREG with reconciliation (incorporated as a standard process):** Verification of the Income Tax reference numbers supplied as part of the certificates and where the employee (taxpayer) is not registered, automatically trigger off a registration with the information included in the certificate.
- **Feedback Process:** regardless of the registration option used, feedback will be given on whether the application was successful or not.

IT REG ENHANCEMENTS

Bulk ITREG with reconciliation (incorporated as a standard process),

Where an employer submits their reconciliation to SARS, 2 (two) processes are triggered simultaneously, which include:

- The reconciliation submission (as per normal) and
- Verification of the Income Tax reference numbers supplied as part of the certificates and where the employee (taxpayer) is not registered, automatically trigger off a registration with the information included in the certificate.

BUNDLED REGISTRATION

The current registration capability within e@syFile™ Employer for single registrations allows employers to submit **one request at a time** per individual to register individuals for Income Tax. This capability will be enhanced to allow employers to capture **multiple taxpayer details** and then send through **one** request to automatically register multiple individuals for Income Tax.

As above, the employees to be registered may be those **captured manually** in e@syFile™ Employer or employee records imported from a payroll application using a **CSV file**. When submitted to SARS this will be completed as **one** application with **multiple** employee Income Tax registration requests.

e@syFile™ Employer will however limit the number of employees to be registered via the bundled ITREG application process to **1000 employees** at a time.

FEEDBACK PROCESS

e@syFile™ Employer

A feedback notice will be sent to the e@syFile™ Employer inbox, which will contain a **summary** of the processed results. This summary will indicate:

- The number of employees for which registration were applied
- The number of employees who were found to be registered already
- The number of employees who were registered as a result of the application
- The total number of employees for which registration were denied
- The number of employees per rejection reason

THANK YOU