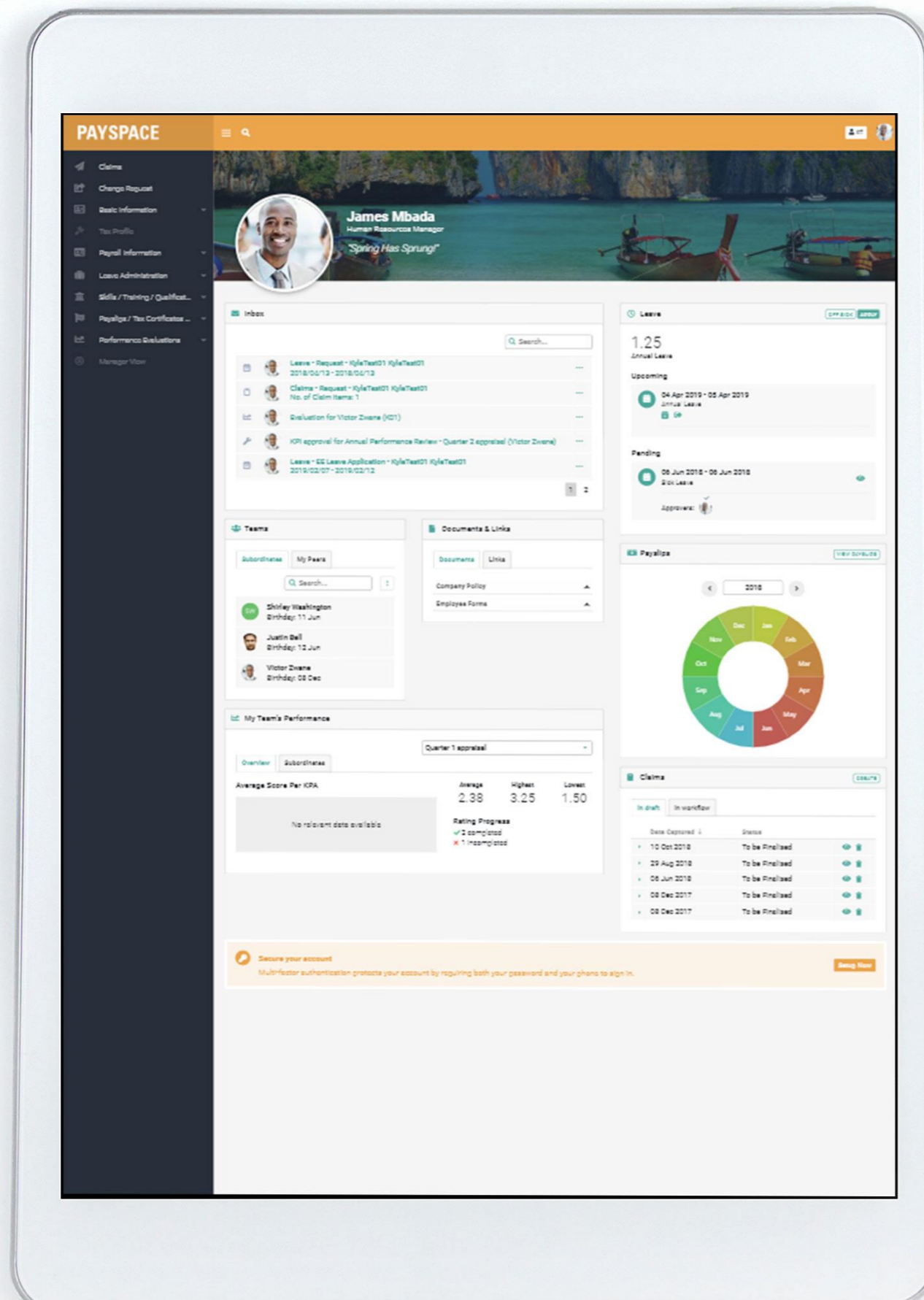


# Future Proof Payroll & HR

Payroll Administration and Legislation



# Overview



Introduction to Payroll Administration



Particulars of employment



Unemployment Insurance Fund Act (UIA) & Unemployment Insurance Contributions Act (UICA)



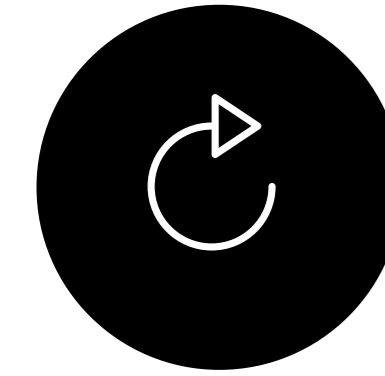
Basic Conditions of Employment Act (BCEA)



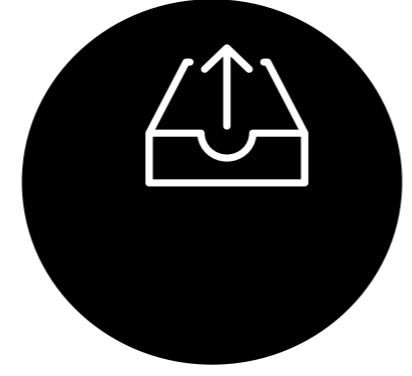
Termination of employment



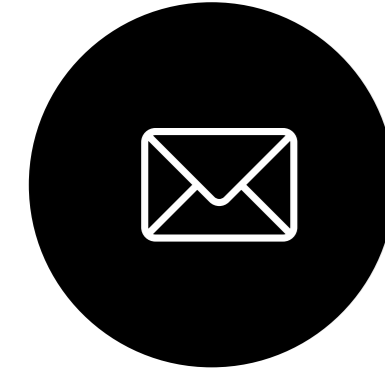
Occupational Injuries and Diseases Act



Working Time



Income Tax Act



Leave



Skills development Act & Skills Development Levies Act

# What is payroll?

- ① Payroll is the process a company goes through to pay employees
- ② The list of employees in a business and the amount of compensation due to each employee
- ③ It can also mean the record of total earnings of all employees for a company in a tax year

# The Payroll Environment

## Payroll

The total amount of money that should be paid out to employees as a salary or wages

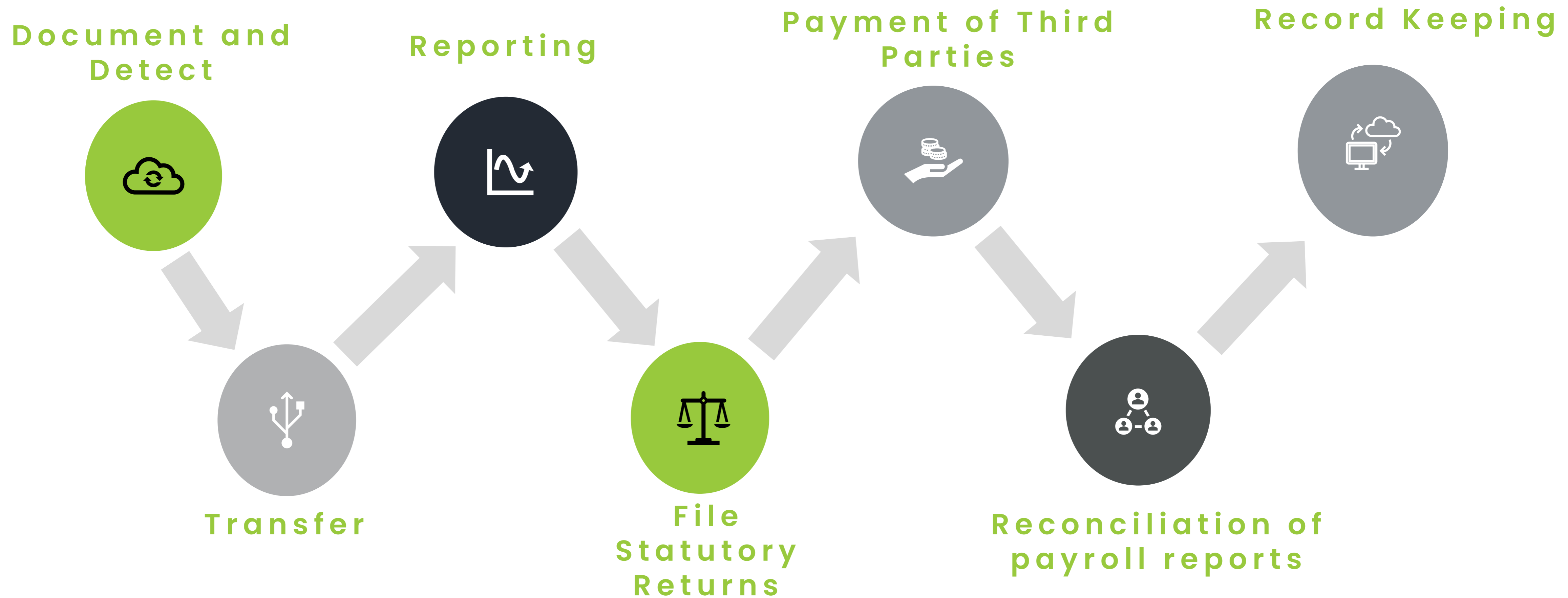
## Company Policy & Procedures

Establish the rules of conduct within an organization, outlining the responsibilities of both employees and employers. Company policies and procedures are in place to protect the rights of workers as well as the business interests of employers.

## Legislation

Payroll administration must happen within the framework of legislation affecting the payroll.

# Payroll Administrator Role



# The retention of documentation

All documents utilized for payroll data capture must be stored

## Supporting Documentation

Overtime Claims

Leave Application form

Notification of bank  
detail changes

## Statutory Documentation

EMP201: Monthly  
Declaration

UIF Declaration File

IRP5/IT3(a) Tax  
Certificate

# Basic Conditions of Employment Act (BCEA)



# BCEA

Regulate the right to fair labor practice, by controlling various employment conditions , more specifically



**Working Time**

**Leave entitlement**

**Written terms and conditions of employment**

**Termination of employment**



# Recording & Validating Employee Records

BCEA refers to “preservation of secrecy”

Guidelines:

- Secure printer
- Agreement of confidentiality
- Documents should be hand delivered
- Do not share personal or payroll data unnecessarily over the phone
- Reports and payslips, if printed must be stored in a lockable cabinet
- Payroll data must be protected screen positioning is important
- Payroll System should be guarded by a Password

# Application of The Act



# Provisions in Contract of Employment

The BCEA is always applicable in terms of employment  
except where:

Any other law is  
more favorable

The BCEA is  
excluded or  
replaced

Terms of  
employment  
contract is more  
favorable to the  
employee

# Working Time

Ordinary Working Hours

Overtime

Meal Interval

Daily Rest Period

Night and Sunday Work

Public holidays

Weekly Rest Period

# Working time and rules

Act regulating working time does not apply to the following Employees:

**Workers in Senior Management (Who make hiring and termination decisions)**

**Sales staff that travel and regulate their own working hours**

**Workers who work less than 24 hours in a month.**

**Employees earning R211 596,30 or more as from 1 March 2021**

# Ordinary Working Hours



## Employees can work a maximum of 45 hours per week

An employer may not require or permit an employee to work more than:

- 45 hours in any week;
- 9 hours in any day if the employee works 5 days or less in a week; or
- 8 hours in any day if the employee works more than 5 days in a week

Employees working with the public –The working time can be extended up to 15 minutes per day, maximum 60 minutes per week

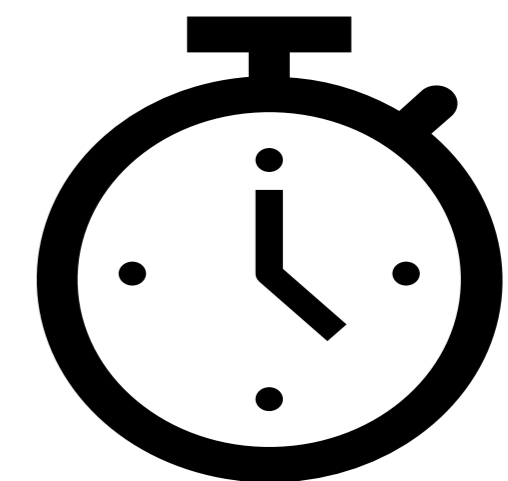
# Overtime

## ① Agreement

② Maximum 10 hours per week

**Not more than 12 hours on any day**

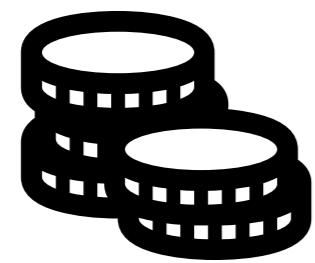
Agreement lapses after 1 year



# Overtime

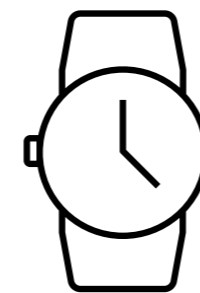
## Option 1

1,5 times the  
hourly rate



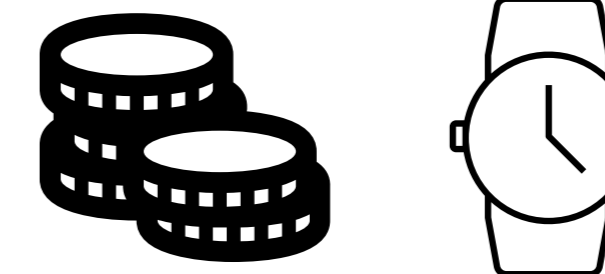
## Option 2

1,5 hours paid time  
off for every hour  
worked



## Option 3

1 time the  
hourly rate Plus  
0,5 hour paid time off.





# Overtime Case Study – Calculation of overtime pay

Tshepo earns a salary of R10 000

Normal working hours: Monday–Friday, 08h00–17h00

Company policy: Employees are paid at 1.5 times their normal hourly rate for every overtime hour worked

- 5 days a week
- 8 hours a day
- 21,67 days a month
- 173,36 hours a month

If he works 3 hours overtime on a Monday, what will his overtime earning amount be?

# Overtime Case study - Solution

$$\frac{\text{Basic Salary}}{\text{Average working hours per month}} \times \text{hourly rate}$$

## Option 1

Salary 10000/173,36 hours  
per month  
X 3 overtime hours  
worked  
X 1,5 times the hourly rate  
= R259,58

## Option 2

3 Overtime hours  
X 1,5 times the hourly rate  
= 4,5 hours paid time off

## Option 3

Salary R10 000/ 173,36  
hours per month  
X 3 Overtime hours  
worked  
X 1 times the hourly rate  
= R173,05

3 Hours X 0,5 times  
= 1,5 hours paid time off

# Meal Interval



Employees are entitled to 60 minutes after 5 hours of work

Agreement to change meal interval but to not less than 30 minutes

Dispense - if employee works fewer than 6 hours per day

Meal intervals are not paid for except in these situations:

- When required to work
- When required to be available for work

# Daily and weekly rest period

- A daily rest period of at least 12 consecutive hours between ending recommencing work
- A weekly rest period of at least 36 consecutive hours
- Can be reduced to 10 hours by agreement
  - If employee lives on the premises (i.e., domestic workers , caretakers and farm workers)
  - Has a meal interval of at least three hours

# Work on Sunday



- Employees must at least receive their daily wage
- If a shift falls on a Sunday and partly on another day, the entire shift is deemed to have been worked on Sunday, unless if the biggest portion falls on other day

# Work on Sunday Case Study - Calculation Sunday pay

Thabo earns a salary of R 20 000

Thabo's normal working hours: Monday to Friday 08h00 – 17h00.

Company policy: The company pays work on Sundays according to BCEA.

- 5 days a week
- 8 hours a day
- 21,67 days a month
- 173,36 hours a month

If he works 3 hours overtime on a Monday, what will his overtime earning amount be?

# Work on Sunday Case study-Solution

$$\frac{\text{Basic Salary}}{\text{Average working hours per month}} \times \text{Sunday hourly rate}$$

$$\text{Sunday pay} = \frac{\text{Salary } 20\,000}{173,36 \text{ hours per month}} \times 3 \text{ hours worked} \times 2 \text{ times the hourly rate} = R692,20$$

$$\text{Normal daily rate} = \frac{\text{Salary } 20\,000}{173,36 \text{ hours per month}} \times 8 = R922,93$$

The expected Sunday pay is less than the normal daily rate  
Therefore, Thabo is entitled to his daily wage of R922,93

# Work on Sunday Case Study 2- Calculation Sunday pay

Nathi earns a salary of R 9 000

His normal working hours: Sunday to Thursday 08h00 – 17h00.

Company policy: The company pays work on Sundays according to BCE.

- 5 days a week
- 8 hours a day
- 21,67 days a month
- 173,36 hours a month

If Nathi works 3 hours on a Sunday , what will his Sunday Payment amount be?



# Work on Sunday Case study 2-Solution

$$\frac{\text{Basic Salary}}{\text{Average working hours per month}} \times \text{Sunday hourly rate}$$

$$\text{Sunday pay} = \frac{\text{Salary } 9000}{173,36 \text{ hours per month}} \times 5 \text{ hours worked} \times 1,5 \text{ times the hourly rate} = R389,36$$

$$\text{Normal daily rate} = \frac{\text{Salary } 9000}{173,36 \text{ hours per month}} \times 8 = R415,32$$

The expected Sunday pay is less than the normal daily rate  
Therefore, Thabo is entitled to his daily wage of R415,32

# Night Work

Work performed after 18h00 and before 06h00 the next Day

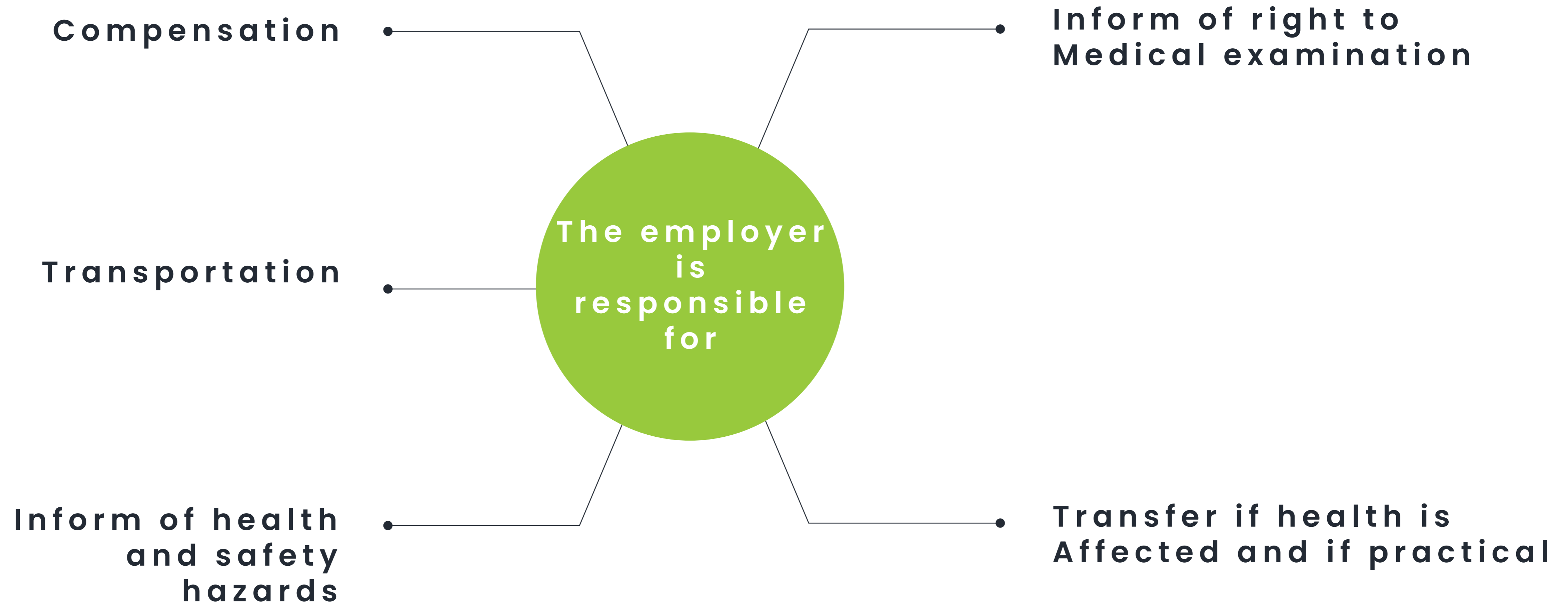
By agreement

- Compensation e.g Shift allowance/  
Reduction of working hours
- Transportation Available at  
commencement and conclusion of work.



# Regular Night work

Regular night work – 1 hour after 23:00 and before 06:00 at least 5 times a month or 50 times a year



# Public Holiday

Public Holiday falls on a day an employee would ordinarily work		Public Holiday falls on a day the employee would not ordinarily work	
Option 1	Option 2	Option 1	Option 2
<p><b>Employee works on Public Holiday</b></p> <p>Double the normal wage Or if greater, the normal wage + The amount earned for the day</p>	<p><b>Employee does not work on the Public Holiday</b></p> <p>Normal Wage</p>	<p><b>Employee works on a public holiday</b></p> <p>Normal Wage + The amount earned on that day</p>	<p><b>Employee does not work on the Public Holiday</b></p> <p>No payment</p>

The Payroll Administration and Legislation

# LEAVE



Annual Leave



Sick Leave



Maternity Leave



Family  
Responsibility  
Leave



Parental Leave



Adoption Leave



Commissioning  
Parental Leave

# Annual Leave

## Leave Cycle- 12-month period

### Entitlement-21 Consecutive days (3 weeks)

- 5 day worker: 15 days minimum
- 6 day worker: 18 days minimum
- 1 day for every 17 days worked
- 1 hour for every 17 hours worked

**Employer must grant leave no later than 6 months after end of leave cycle**

**Leave may not run concurrently with another leave**

**An employer may not pay out leave except on termination.**

**Leave is paid at remuneration rate**

# Sick Leave

**Leave Cycle- 36-month period**

## Entitlement- 6 weeks

- 5 day worker: 30 days
- 6 day worker: 36 days

## Proof of Incapacity- Medical certificate 8-week rule

If absent for 2 consecutive days or more for more than two occasions in an 8-week period, without medical certificate them employer can withhold pay.

**1 day for every  
26 days worked  
for the first 6  
months**

**On the 7th month  
employee is entitled  
to the full 30 days  
minus any sick leave  
already taken**

**Leave is paid at  
wage rate  
&  
can not be  
carried over to  
the next cycle**

# Family Responsibility Leave

Leave Cycle- 1 year

## Entitlement- 3 days

- Applies when a child is sick or
- In the event of death

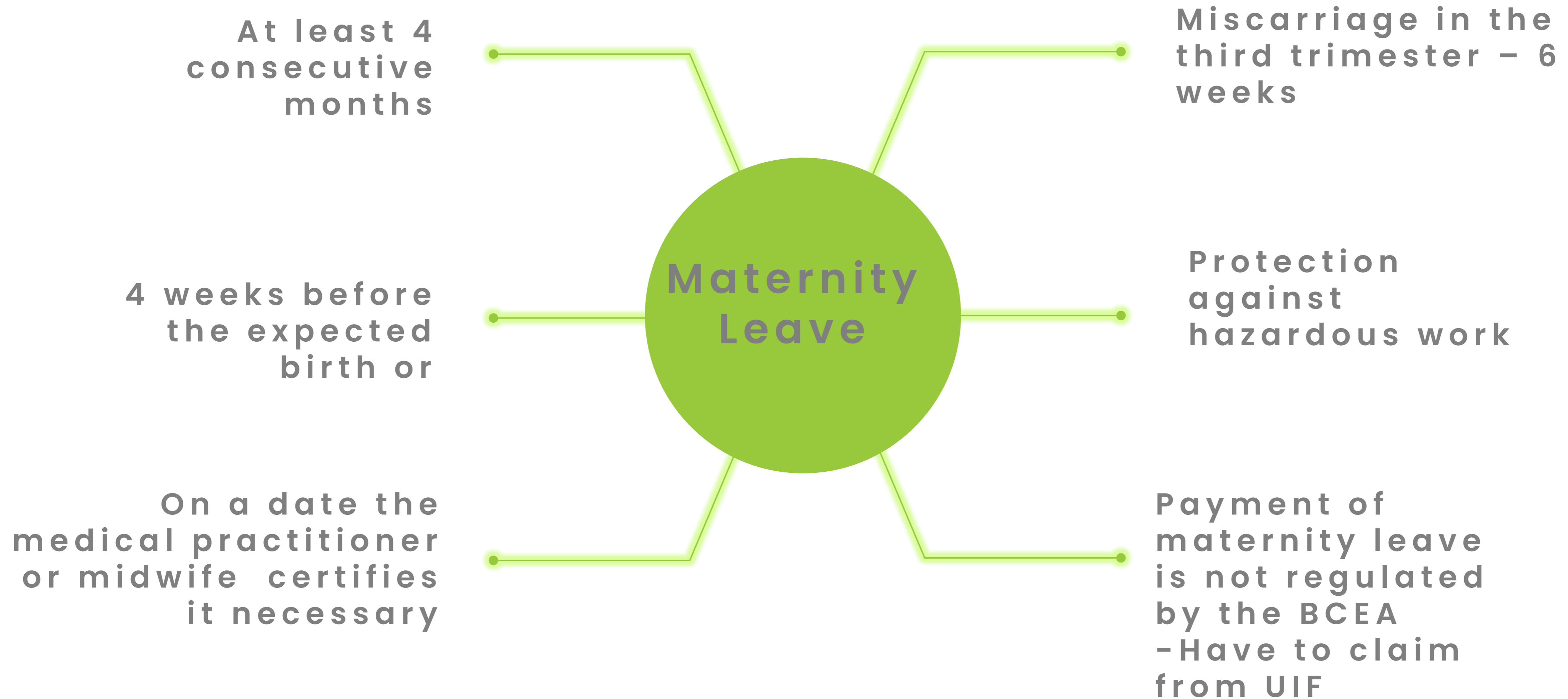
**Employer may  
require  
reasonable  
proof**

**Paid at wage rate**

**When the employee's  
child is born, they  
must apply for  
parental leave not  
family responsibility  
leave**



# Maternity Leave



# Parental Leave



An employee who is a parent and who is not entitled to maternity leave/adoption leave or commissioning parental leave is entitled to at least ten consecutive days parental leave (does not include the weekend if you don't usually work during the weekend).

Parental Leave commences on the day:

- The adoption order is granted, or
- That a child is placed in the care of a prospective adoption parent by a competent court, pending the finalization of an adoption order in respect of that order whichever occurs first

Paid by UIF subject to certain rules and conditions

# Adoption Leave

- An employee who is an adoptive parent of a child who is below the age of two, is entitled to adoption leave of at least ten weeks consecutively, or parental leave as explained before.
- Adoption Leave commences on the day:
  - The adoption order is granted, or
  - That a child is placed in the care of a prospective adoption parent by a competent court, pending the finalization of an adoption order in respect of that order whichever occurs first
- If there are adoptive parents/prospective adoptive parent, one of the adoptive parents is entitled to adoption leave and the adoptive parent is entitled to parental leave, the selection of choice must be exercised by the two adoptive parents

# Commissioning Parental Leave

- An employee who is a commissioning parent in a surrogate motherhood agreement is entitled to commissioning parental leave of at **least ten weeks consecutively**, or the parental leave as explained before.
- Commissioning Parental Leave may commence on the day:
  - The child is born as a result of a surrogate motherhood agreement.

# Leave entitlement Case Study

Justine is a New starter in the company. The company calculates leave as per BCEA.

Justine's normal working hours: Monday to Friday 08h00 – 17h00.

What will her leave entitlement be in the first 6 months of employment for the following leave types:

Annual Leave

Sick Leave

Family Responsibility Leave

# Leave entitlement Case Study

## Solution

### Annual Leave

$$\frac{15 \text{ BCEA Leave Days}}{12 \text{ Months}} \times 6 \text{ months worked} = 7,5 \text{ Annual Leave days}$$

Remuneration Rate

### Family Responsibility

3 family responsibility days upfront

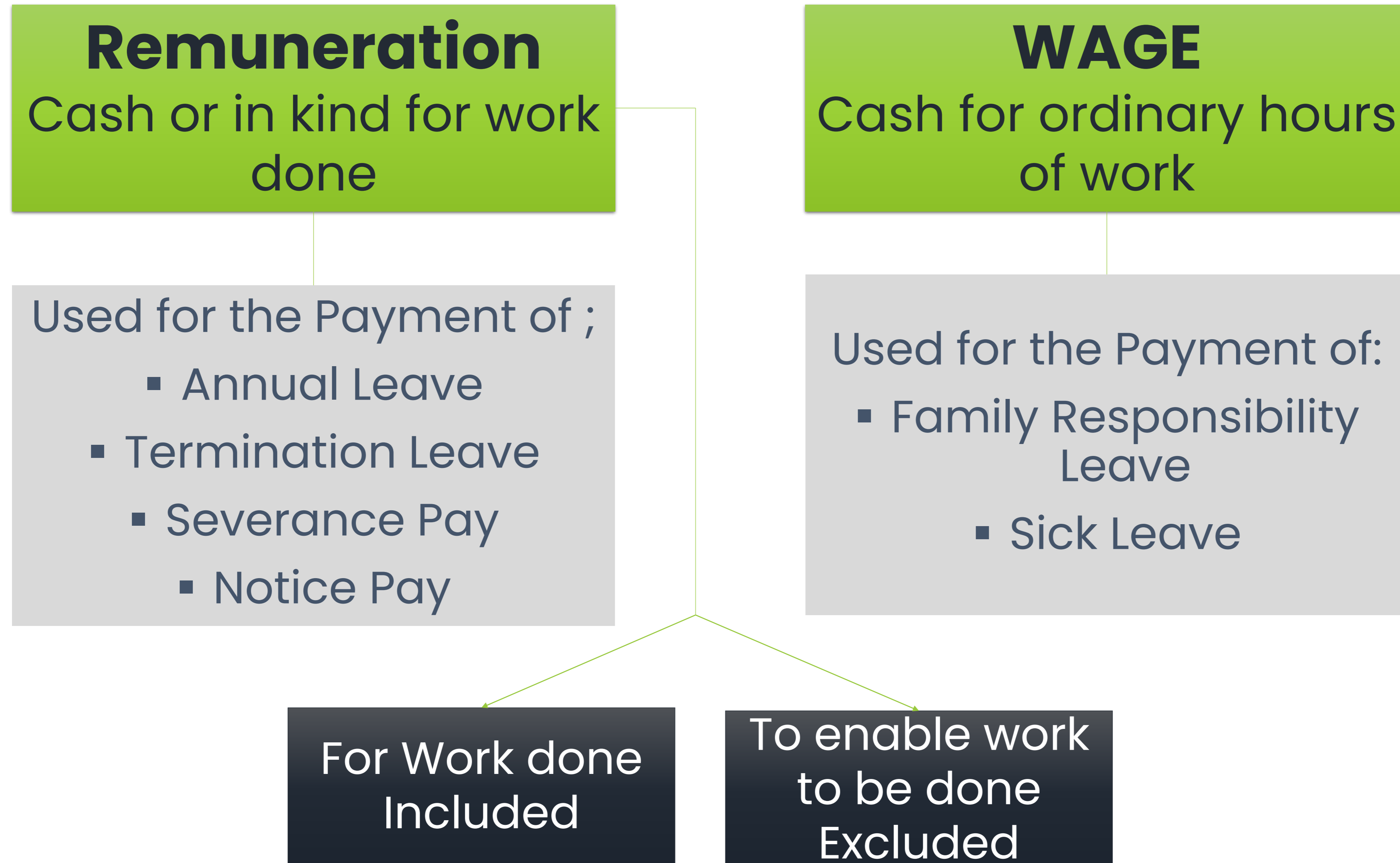
Wage Rate

### Sick Leave

$$1 \text{ Sick Leave Day per month} \times 6 \text{ Months} = 6 \text{ Leave days}$$

Wage Rate

# Employee Income



# Payment for Leave Taken

## Wage

Payment in money for ordinary hours of work



vs



## Remuneration

Payment in money and/or in kind for work done-

Any other amount received above and beyond wage, this can be pension, fringe benefits



# Definitions of Payroll Components

## Allowances

Cash Components of an employee's remuneration e.g. salary , overtime or bonus

## Deductions

Components deducted before the net pay is determined e.g. loans , pension or medical aid

## Net Pay

Net pay refers to the amount an employee takes home, not the amount it costs to employ them

## Company Contributions

Contributions made by the company on behalf of the employee. e.g. UIF and SDL

## Fringe Benefits

Non- cash perks e.g. a company car

# Remuneration for work done

## Included in Remuneration

- Salary
- Commission
- Overtime
- Fixed travel allowance
- Guaranteed bonus
- Shift and standby allowance
- Fringe benefits, e.g. company car
- Company contributions, e.g. pension, provident, medical aid

## Excluded in Remuneration

- Reimbursements
- Reimbursive travel
- Subsistence allowance
- Other allowances e.g. cell phone, computer, tool, uniform etc

# PARTICULARS OF EMPLOYMENT

1. Written particulars of employment
2. Keeping of records
3. Payment of remuneration
4. Information about remuneration
5. Deductions from remuneration

# Written Particulars

An employer must supply an employee when the employee commences employment, with the following in writing:

- Full name and address of the employer
- Name and occupation of employee
- Place of work
- Date of employment
- Ordinary hours and days of work
- Wage rate
- Rate for overtime
- Other cash payments
- In kind payments
- Frequency of remuneration
- Deductions
- Leave entitlement
- Notice period
- Council information
- Company
- list of any other documents that form part of the contract

# Keeping of records

Employer must keep record of at least:



Record should be kept for 3 years from last date of entry

# Information about Remuneration

## The employee's payslip must include:

- Employer's name and address
- Employee's name and occupation
- Period of payment
- Remuneration in money
- Any deduction made from the remuneration
- Actual amount paid (Net pay)

If relevant, include

- Employee's rate of remuneration and overtime
- Number of ordinary and overtime hours worked in that period
- Number of Sunday and Public holiday hours worked in that period

If an agreement to average working time has been concluded . The total number or ordinary and overtime hours worked in the period average




# Deductions from Remuneration

By agreement

Statutory deductions  
e.g., tax

Court orders  
e.g.,  
garnishee



Must specify  
the nature  
and quantity  
of any goods  
purchased by  
the employee

Overpayments

Loss or  
damage  
to the  
employer



- Fault of the employee
- Employer has followed a fair procedure
- Debt does not exceed the loss or damage
- Deductions <25% of earnings

The Payroll Administration and Legislation

# TERMINATION OF EMPLOYMENT



Notice period



Payments upon termination



Severance pay



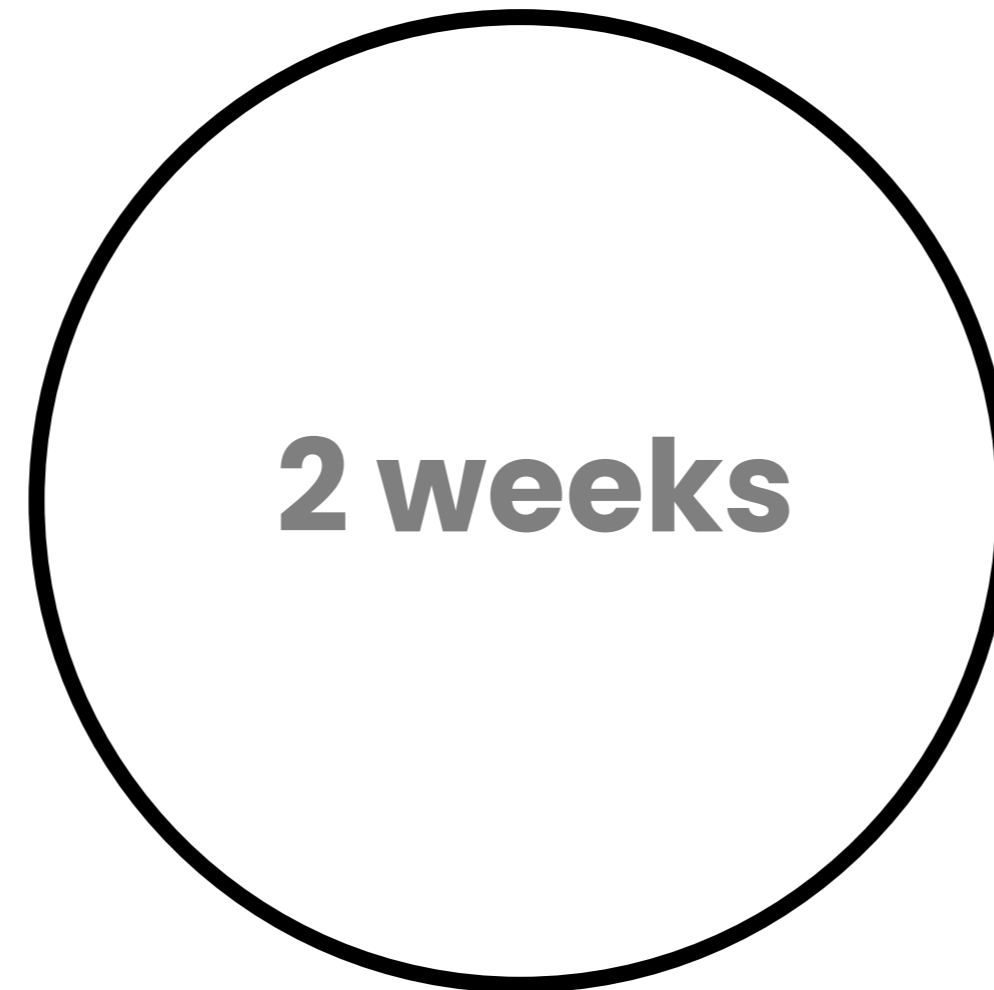
Certificate of service



# Notice Period



Employed for  
less than 6  
months



Employed for  
more than 6  
months but less  
than a year



Employed for 1 year or more,  
or  
Its a farmer or domestic  
worker who has been  
employed for more than 6  
months

Employee is not allowed to take any leave during the notice period

# Payments upon Termination

**Time-off  
due**

**Annual leave  
days due**

# Severance Pay

- 1 week's remuneration for every completed year of continuous service
- Dismissed due to operational requirements
- Offer alternative Employment – Employee Refuses – No Severance Pay

# Severance Pay Case Study

Employee B was employed on 1st of January 2013. The employer offered the employee alternative employment at another branch 5 km's away from the current place of work.

The employee refused the offer for alternative employment.

Because of operational requirements on the 31st of March 2020 this employee was retrenched.

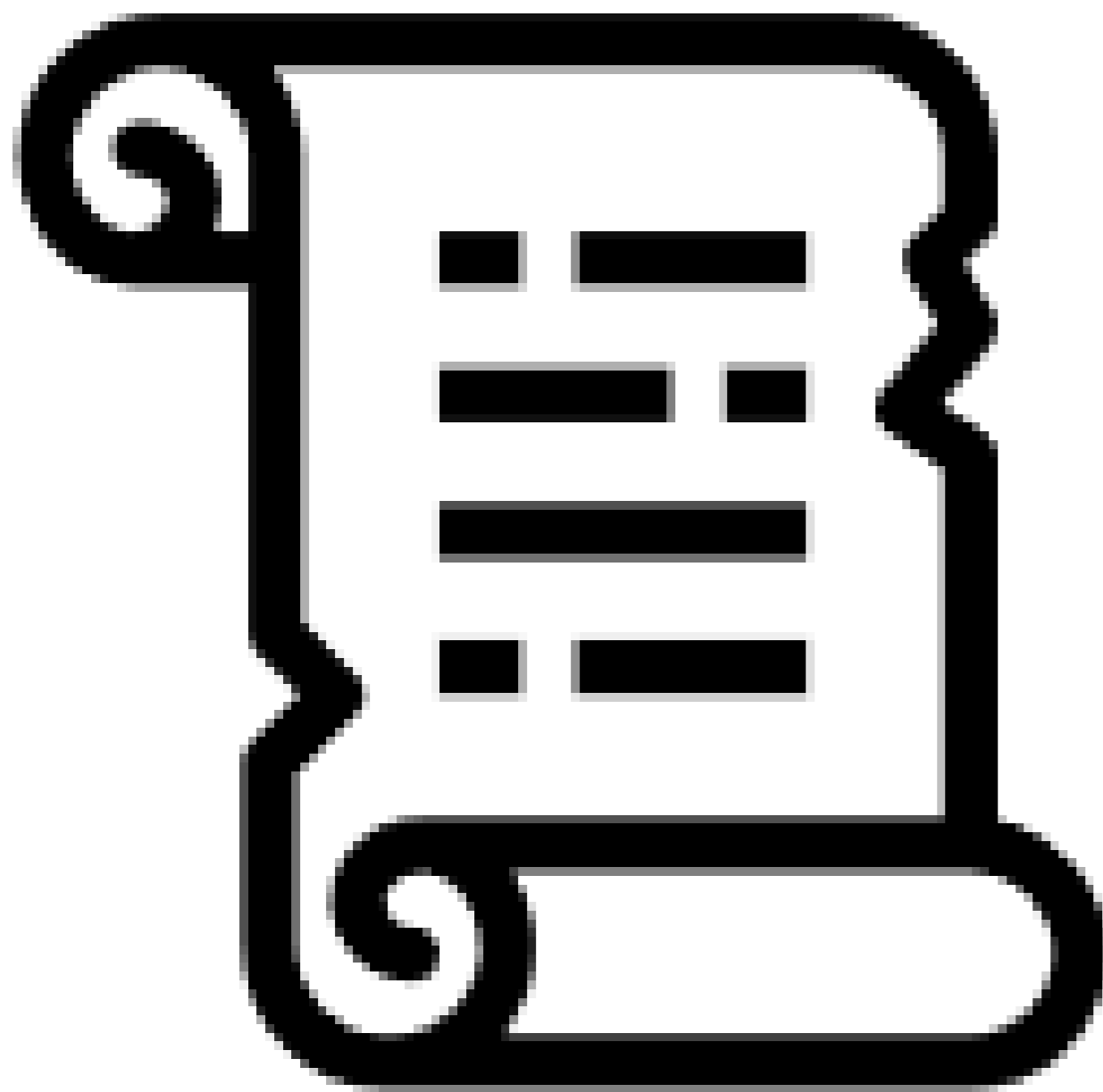
How many weeks of severance pay is this employee entitled to?

# Severance Pay Case Study Solution

Employee B is not entitled to any severance payment since he has refused an alternative employment offer 5km's away from the current place of work.

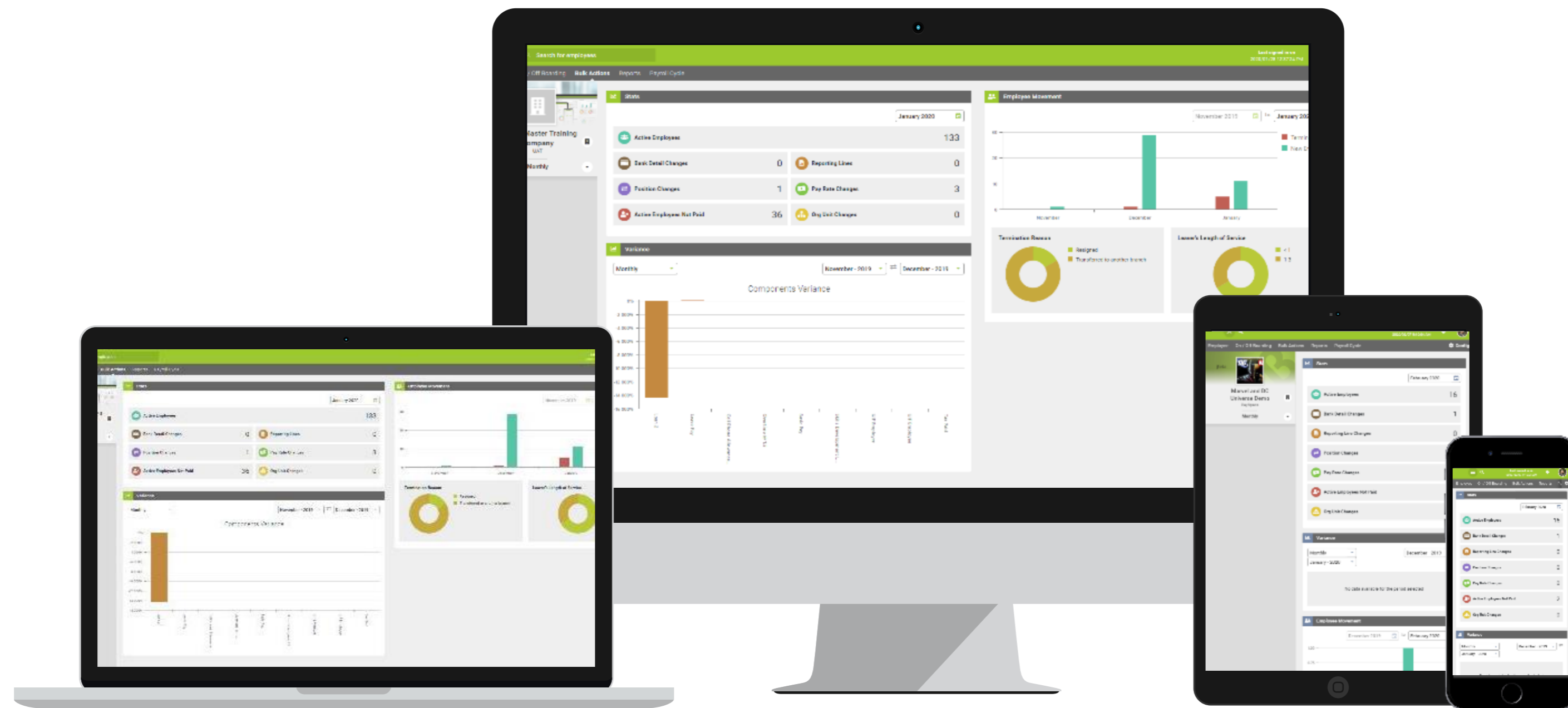
As mentioned above “An employee who unreasonably refuses to accept the employer's offer of alternative employment with that employer or any other employer, is not entitled to severance pay. ”

# Certificate of Service



- **Employee's full name**
- **Name and address of employer**
- **Description of any council**
- **Date of commencement and termination of employment**
- **Job title or brief description of employment**
- **Remuneration at the date of termination**
- **If employee requests, the reason for termination**

# Income Tax Act



# Income Tax

- Governments need money to provide basic services such as education, policing etc., therefore government levies taxes
- The 4th schedule to the Income Tax Act deals with remuneration and employees
- Employee's tax consists of PAYE
- Employee's tax is an advance payment against the liability for income tax at the end of the tax year
- The employer must deduct tax from all regular or periodic remuneration paid or payable to the employees



# Calculation of Nett Remuneration

Taxable Earnings

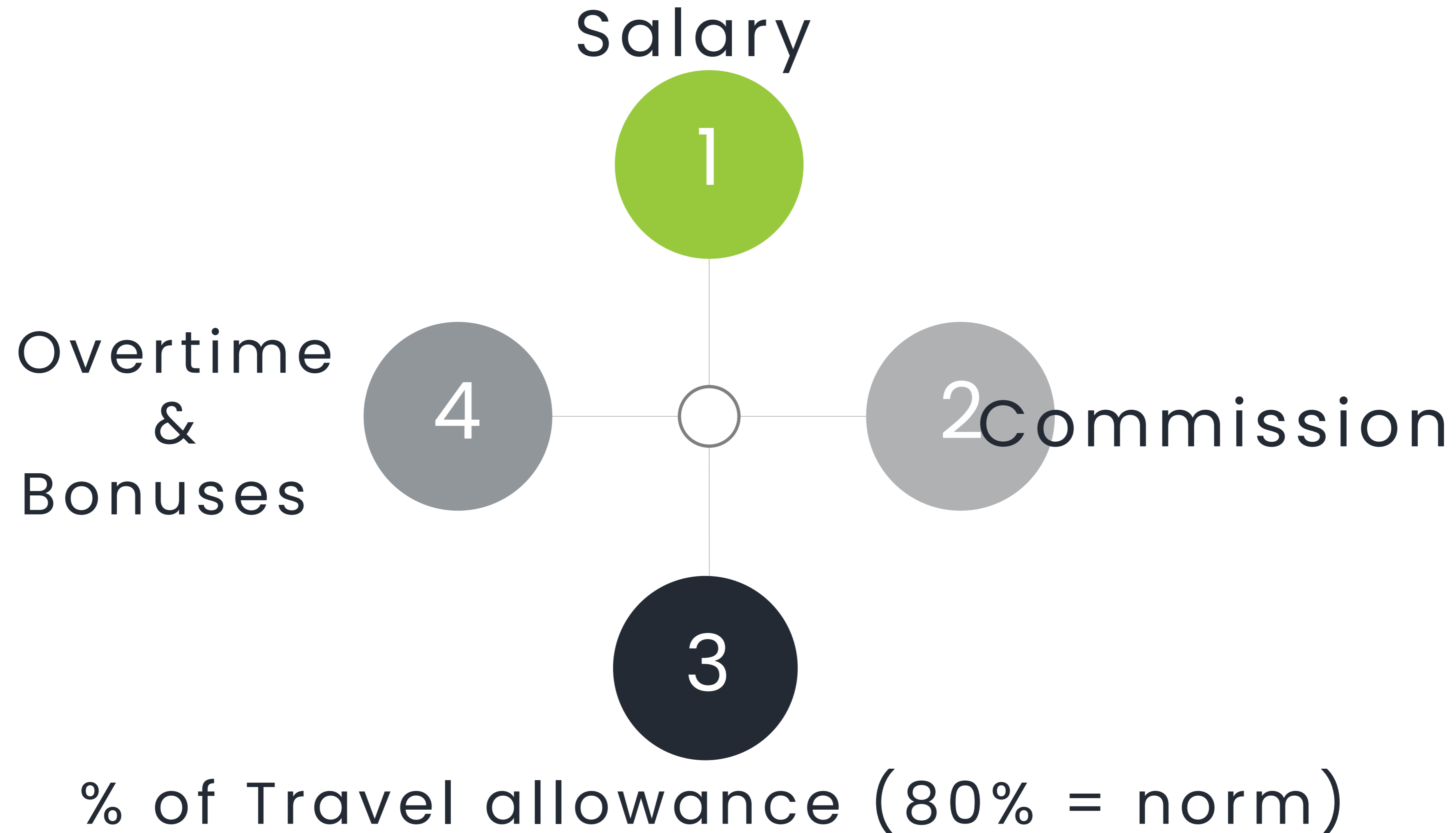
+ Taxable Fringe Benefits

= Gross Taxable Remuneration

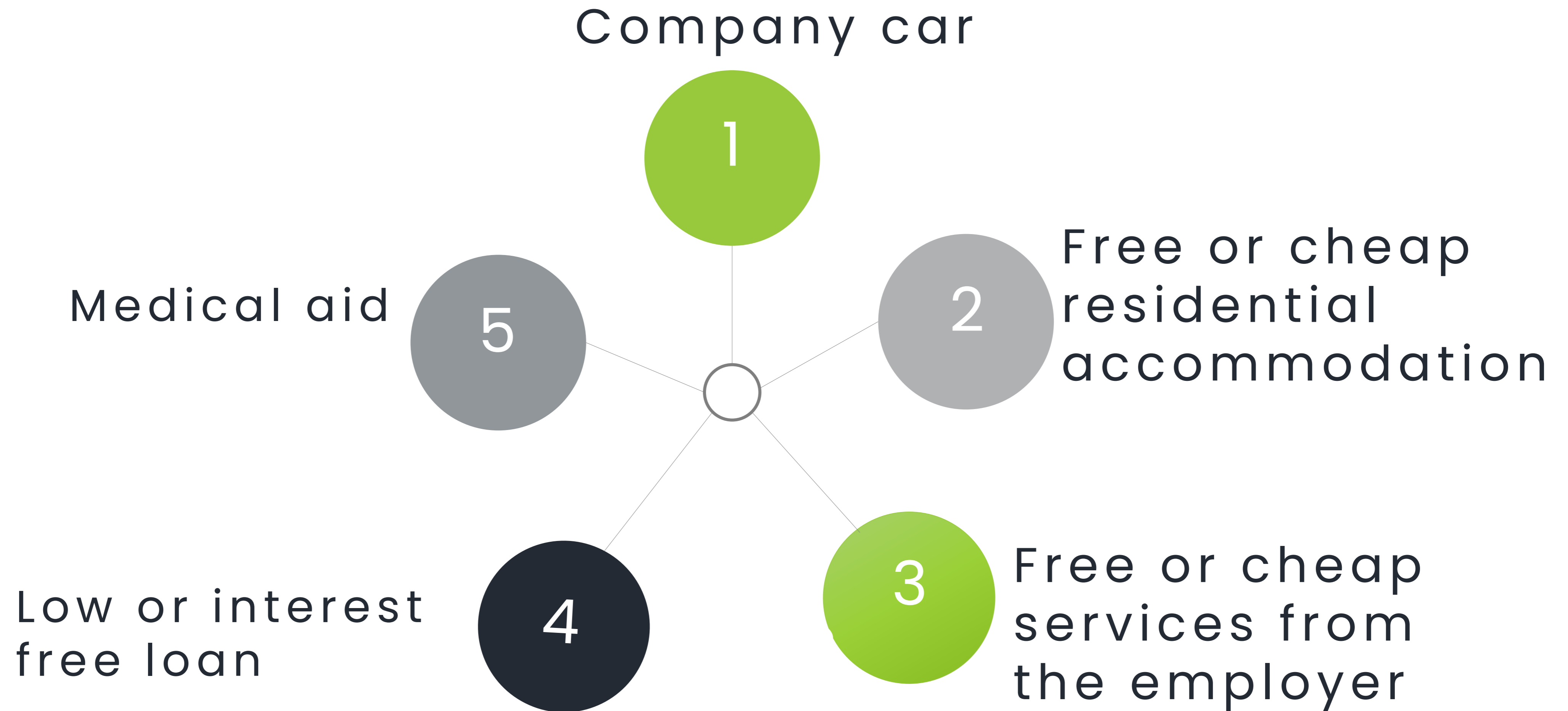
- Tax Deductible Deductions (Up to a limit)

= Balance of Remuneration (Net Remuneration)

# Taxable Earnings

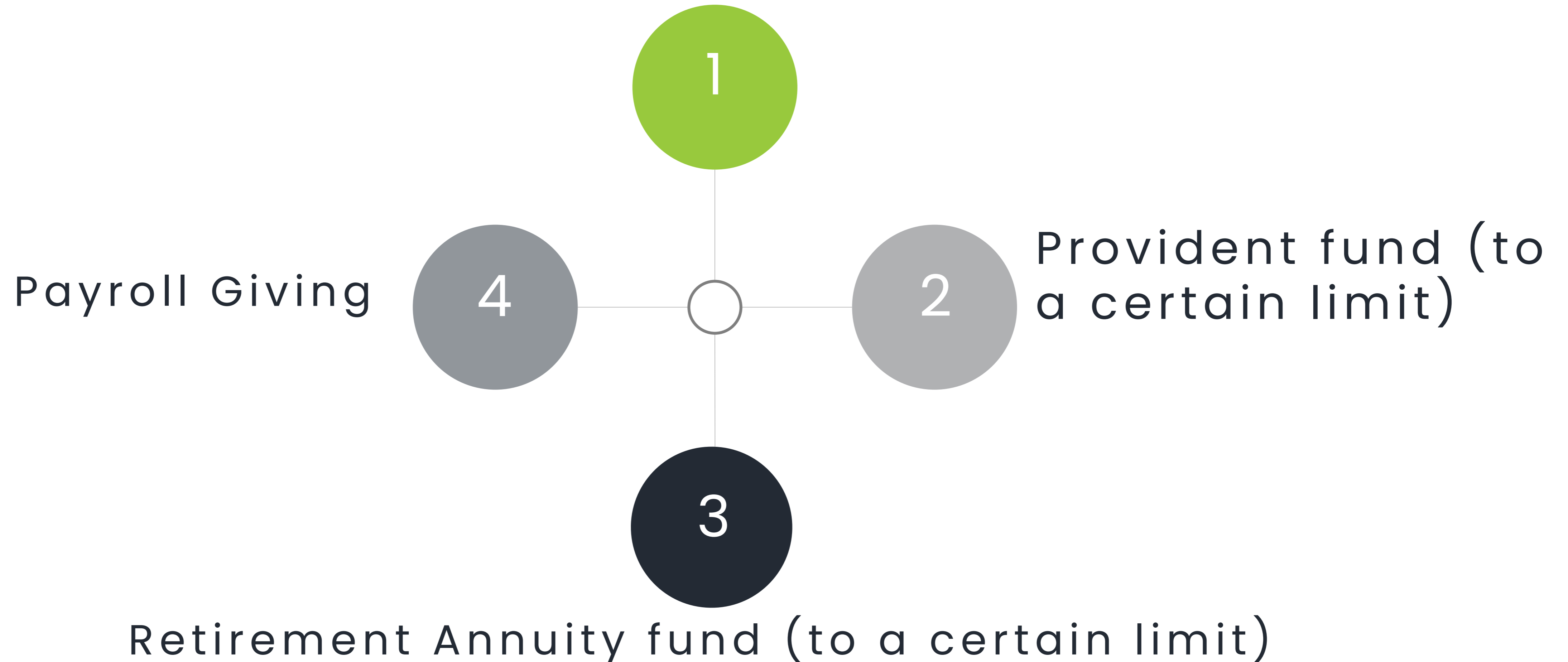


# Taxable Fringe Benefits Examples



# Taxable Deductible Deductions

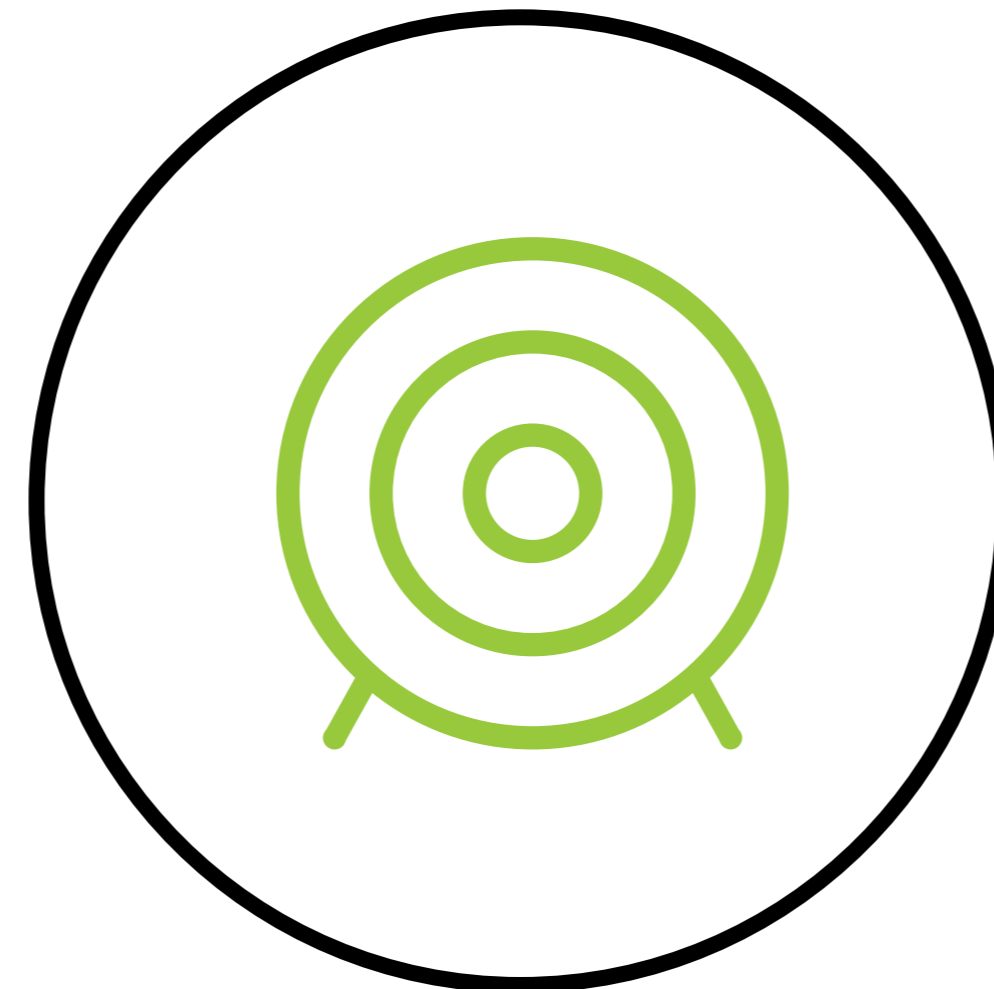
Pension fund (to a certain limit)



# Payment of Contributions



**Payable by  
employer- tax**



**Paid to SARS –  
EMP201 Return**



**Before the 7th of the  
month**



# IRP5/IT3(a) Tax

Employee Information										IRP5/IT3(a)										
Employee Number	EMP001																			
Surname / Trading Name	SURNAME																			
First Two Names	FIRST NAMES																			
Initials	FN		Nature of Person	A		Date of Birth (CCYYMMDD)	19540914				ID No.	5409140064088				Income Tax Ref No.				
Alternate Identification Type																				
Alternate Identification No.																				
Passport/ Permit No.											Passport Country / Country of Origin (e.g. South Africa = ZAF)			Home Tel No.	0119871452					
Bus Tel No.	0113259874				Fax No.					Cell No.	0823651256									
Contact Email	EMAIL@ADDRESS.CO.ZA																			
Employee Address Details - Residential																				
Unit No.	2		Complex (if applicable)	COMPLEX RESIDENTIAL																
Street No.	32		Street / Name of Farm	STREET NAME																
Suburb / District	SUBURB DISTRICT																			
City / Town	CITY										Postal Code	0001		Country Code	ZA					

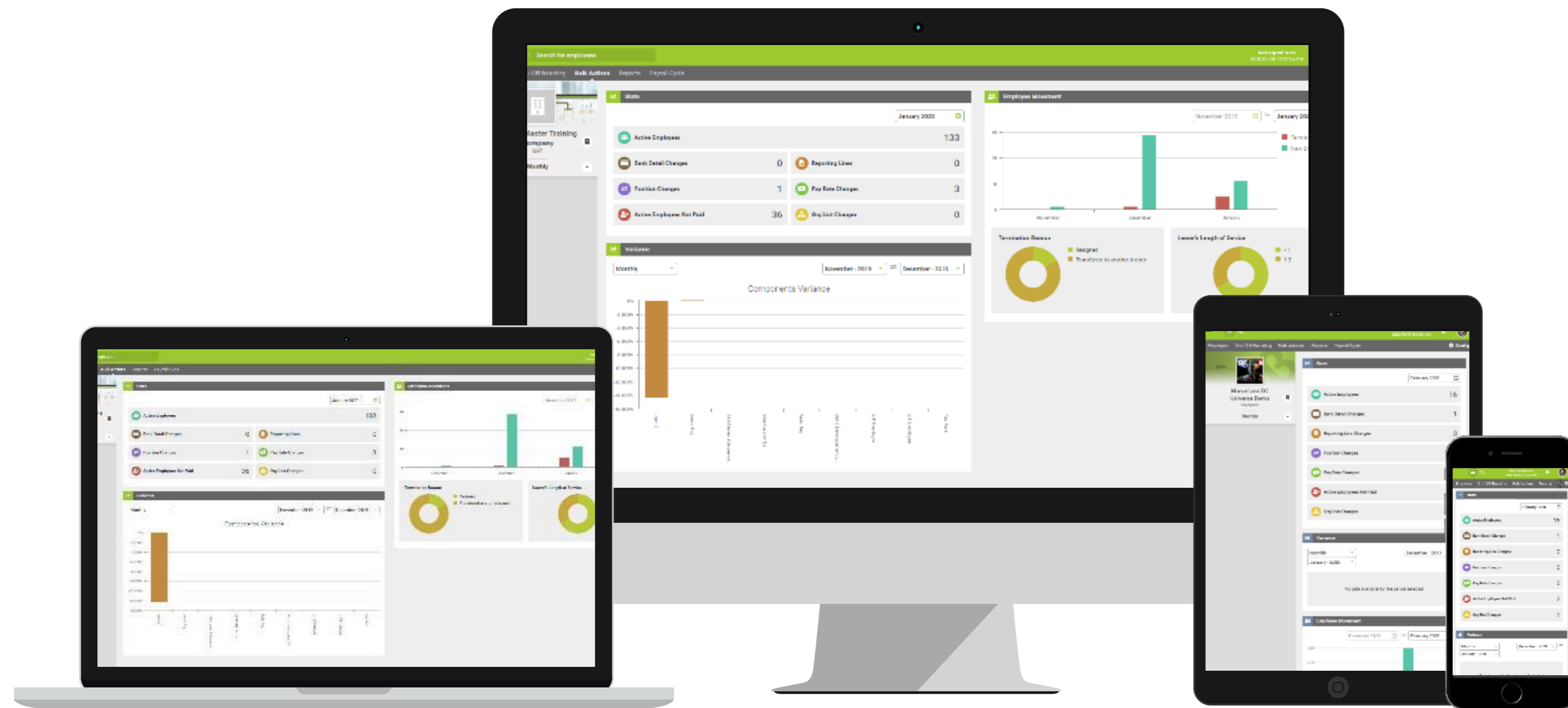
An IRP5 tax certificate is used by the employee to complete the employee's income tax return for a specific year.

Copies of these certificates must be filed by the employer who issues them every year





# Skills Development Act (SDA) & Skills Development Levies Act (SDLA)



# Skills Development Act

## Purpose

- Encourage learning and development in South Africa by improving
  - Productivity
  - The quality of life
- Promote self-employment

# Skills Development Levies Act

## Exempt Employers

- Public service employer
- Annual remuneration less than R500 000
- Religious or charitable institution
- Public, provincial or national entities receiving 80% of their funding from parliament
- Exempt municipalities

## Exempt Employees

- Employees employed under a learnership agreement
- Independent contractors



Refer to paragraph 13 of the case study document

# SDL , Components excluded

**The SDL Contribution is calculated on the Balance of remuneration as defined in the fourth schedule to the Income Tax Act, with the following exclusions.**

- Pensions, superannuation allowances or retirement allowances
- Annuities
- Payments for relinquishment , termination or loss of office or employment
- Lumpsum payments.

# Calculation of Levies

Taxable Earnings  
+ Taxable Fringe Benefits  
- Tax Deductible Deductions  
= Leviable Amount (Net Remuneration)

Leviable Amount x 1% Balance of Remuneration

## Payment of Levies

Payable by the employer  
Paid to SARS – EMP201 Return  
Before the 7th of the next month  
SDL

# SDL Calculation Case Study

Puleng is an employee in the company his Payslip is shown below. Please use his payslip to calculate his SDL amount payable by the company.

Income		Qty	Current	Tax Code	YTD Amount
Basic Pay			69,550.00	3601	69,550.00
Cell Phone Allowance Taxable			750.00	3713	750.00
<b>Total Earnings</b>			<b>70,300.00</b>		<b>70,300.00</b>

Deductions		Balance	Current	Tax Code	YTD Amount
Tax Paid			18,881.64	4102	18,881.64
UIF Employee			148.72	4141	148.72
Provident Fund EE			3,477.50		3,477.50
<b>Total Deductions</b>			<b>22,507.86</b>		<b>22,507.86</b>

<b>Net Pay</b>	<b>47,792.14</b>
----------------	------------------

Package Structure Breakdown	Amount	Company Contributions	Current	Tax Code	YTD Amount
Basic Pay	69,550.00	Provident Fund CC	3,477.50	4473	3,477.50
<b>Total Package</b>	<b>69,550.00</b>	Skills Development Levy	668.23	4142	668.23
		UIF Employer	148.72	4141	148.72
		<b>Total CC's</b>	<b>4,294.45</b>		<b>4,294.45</b>

Fringe Benefits / Personal	Current	Tax Code	YTD Amount
Provident FB	3,477.50	3825	3,477.50
<b>Total Fringe Benefits</b>	<b>3,477.50</b>		<b>3,477.50</b>

Leave	Accrual	Balance
Annual Leave	1.25	12.25
Sick Leave	30.00	30.00

# Grants

## Mandatory Grants – 20%

- Workplace Skills Plan, and
- Workplace Skills Plan Implementation

## Discretionary Grants – 80% Pivotal and 20% Discretionary

- Learnerships
- Unit-standards based/assessments
- Progress reports
- Pivotal training plan and report
- Plan and implement training

# Skills Development Levies

The Company

← Receive a %, as determined by your SETA  
Back from successful claims

During the year you can claim for:

Workplace Skills Plan(WSP)  
Annual Training Report ( ATR)

Discretionary Grants

Pays Skills Development Levy to SARS  
( 1% of the Company's total Remuneration)

SARS

→ Allocates the Levy to the SETA

The Company's SETA

Submit WSP/ ATR at the end of the SETA year.

Receive 20% back of Levy Paid

Receive 20% back of Levy Paid

Receive up to 49,5%, as determined by your SETA, back (80% of Discretionary Fund allocated to Pivotal Grants.

SETA retains up to 10,5% of the levy for admin purposes

Remaining surplus of Discretionary Grants paid to NSF



**B R E A K   S E C T I O N**

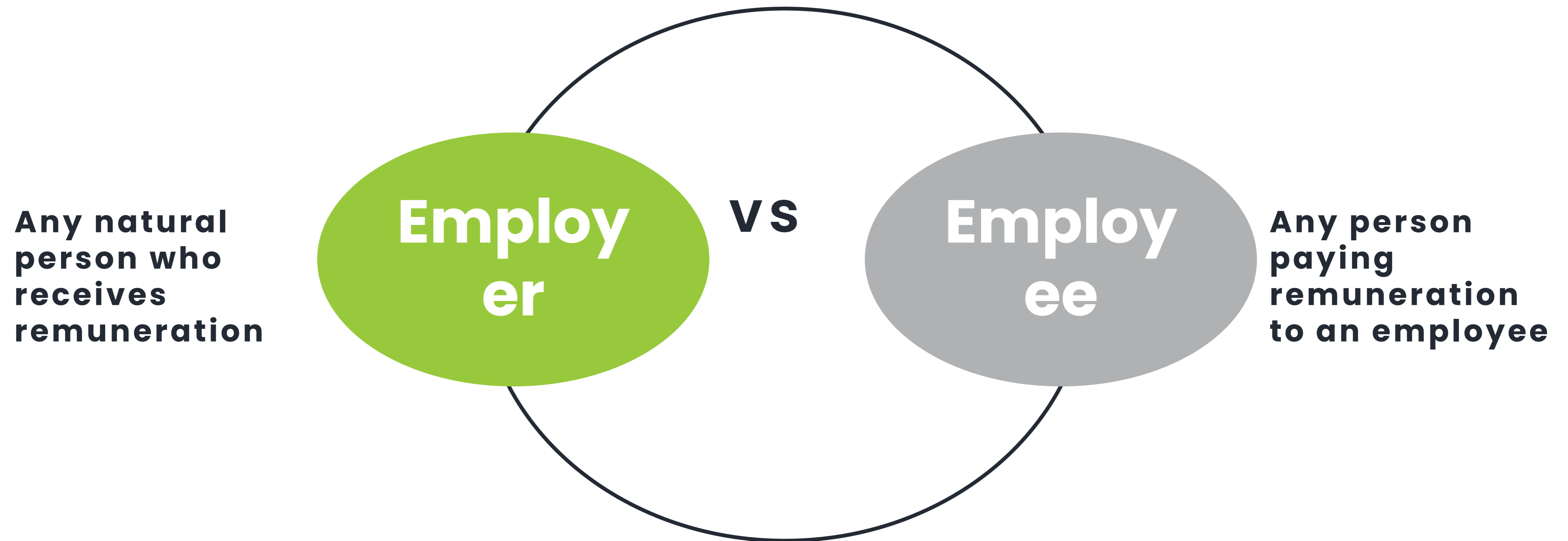
# Unemployment Insurance Fund Act (UIA) & Unemployment Insurance Contributions Act (UICA)



# Unemployment Insurance Act

- Purpose
  - To provide short-term relief for employees who become unemployed or unemployable due to
    - Illness
    - Retrenchment
    - End of contract
    - Adoption and maternity leave
- For the dependents of a deceased employee

# Unemployment Insurance



# Excluded Employees

**The President,  
Deputy  
President, a  
Minister, a  
Deputy Minister**

**A member of  
the National  
Assembly, a  
permanent  
delegate to the  
National  
Council of  
Provinces, a  
Premier**

**A member of an  
Executive  
Council or a  
member of a  
provincial  
legislature**

**Any member of  
a municipal  
council, a  
traditional  
leader**

# UIF Limit

**Annual Limit  
R212 544.00**

**Monthly Limit  
R17 712.00**

# Calculation of Contributions

Taxable Earnings (excl. Lump sum, Commission, Restrain of Trade)  
+ Taxable Fringe Benefits

= Leviable Amount (Gross Remuneration)

Leviable Amount x 1% for both employer and employee

Apply UIF Limit to Leviable Amount

UIF is an employee deduction as well as a company contribution

# UIF Calculation Case Study

Mark is an employee in the company, his Payslip is shown below. Please use his payslip to calculate the UIF amount ( Travel Allowance 80% Taxable)

First Names :	Keypurs	Last Name :	Mark	Empl. Number :	EMP1619
Period Start Date :	01 Jun 2020	Period End Date :	30 Jun 2020	Payment Date :	26 Jun 2020
Engagement Date :	01 Jun 2020	Termination Date :		Grade :	Grade B
Ordinary Days :	21.67	Tax Status :	Standard Employment (Normal)	Pay Rate :	20000.00
Ordinary Hours :		Ordinary Hours :	173.36	Account Number :	
Bank Name:		Currency :	ZAR	Company Reg. No :	123456789
Tax Ref. Number:		Frequency :	Monthly		
UIF Number:	0000000000	256 Nassau Street, Witpoortjie, Witpoortjie, 1818			

Income	Qty	Current	Tax Code	YTD Amount
Basic Pay		20,000.00	3601	20,000.00
Cell Phone Allowance Taxable		500.00	3713	500.00
Overtime @ 1.5	5.00	865.25	3607	865.25
Travel Allowance		1,000.00	3701	1,000.00
<b>Total Earnings</b>		<b>22,365.25</b>		<b>22,365.25</b>

Deductions	Balance	Current	Tax Code	YTD Amount
Tax Paid		3,196.73	4102	3,196.73
UIF Employee		148.72	4141	148.72
Medical Aid EE - Discovery Classic Priority		1,430.50		1,430.50
<b>Total Deductions</b>		<b>4,775.95</b>		<b>4,775.95</b>

<b>Net Pay</b>	<b>17,589.30</b>
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Package Structure Breakdown	Amount	Company Contributions	Current	Tax Code	YTD Amount
Basic Pay	20,000.00	Medical Aid CC - Discovery Classic Priority	1,430.50	4474	1,430.50
<b>Total Package</b>	<b>20,000.00</b>	UIF Employer	148.72	4141	148.72
		<b>Total CC's</b>	<b>1,579.22</b>		<b>1,579.22</b>

Fringe Benefits / Personal	Current	Tax Code	YTD Amount
Medical Aid Fringe Benefit	1,430.50	3810	1,430.50
<b>Total Fringe Benefits</b>	<b>1,430.50</b>		<b>1,430.50</b>

Leave	Accrual	Balance
Annual Leave	1.25	1.25
Sick Leave	30.00	30.00



# UIF Calculation Case Study

## Taxable Earnings

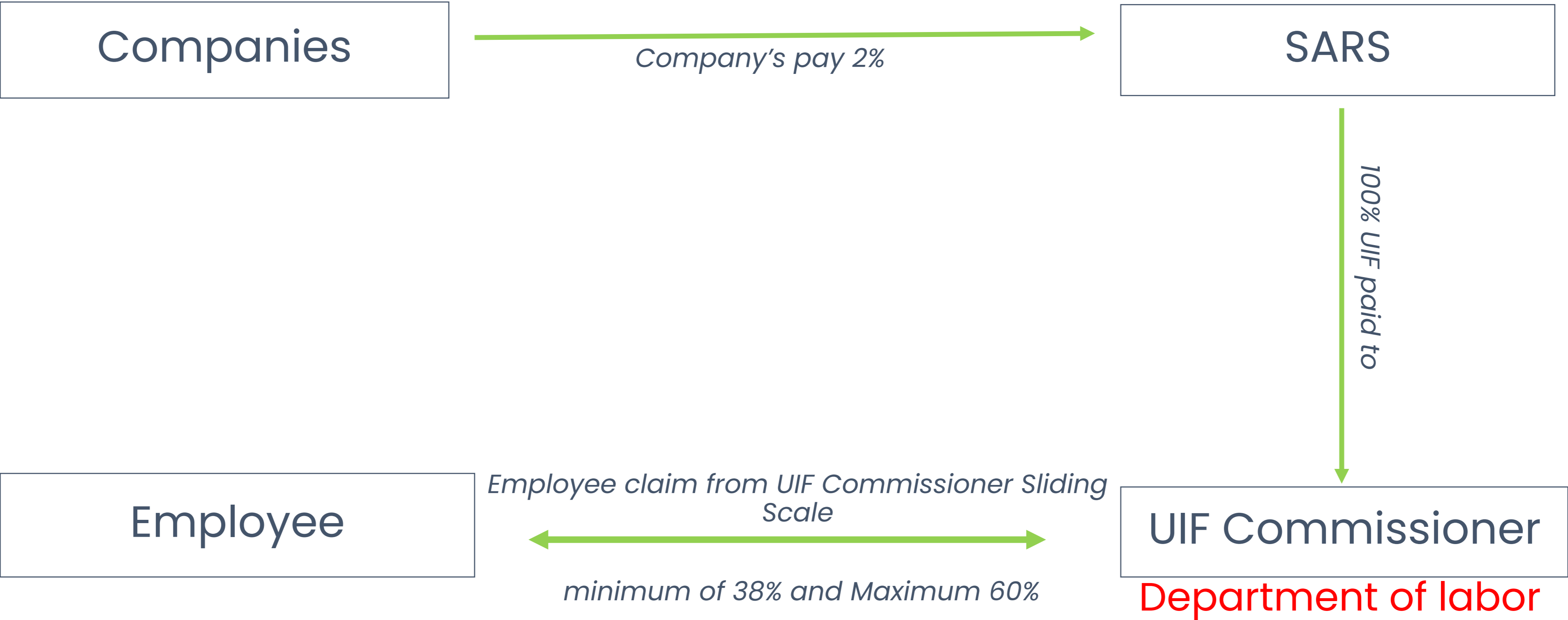
	Salary	R20 000
+	Overtime 1.5	R865,25
	Travel Allowance ( 80% taxable Portion)	R800
+	Cell phone Allowance	R500
+	Fringe Benefits	
	Medical Aid	R1 430,50
=	<b>UIF Remuneration</b>	<b>R23,595,75</b>

UIF Remuneration X 1%	R23595,75 *1%
	R235,95

The amount used in the calculation of UIF Contribution Must not exceed the monthly UIF Limit of R 14 872,00

Employer Contribution	R148,72
Employee Contribution	R148,72

# UIF Claims



# Payment of Contributions

Payable  
by  
employer

Paid to  
SARS –  
EMP201  
Return

Before the  
7th of the  
next  
month

# Return of Employee Details

The UIF Commissioner needs the return of employee details by the 7th of the following month.

- UI19 Return
  - Fax, or
  - E-mail [declarations@uif.gov.za](mailto:declarations@uif.gov.za)



# Occupational Injuries and Diseases Act



# Occupational Injuries and Diseases Act

- **Purpose:**
  - When an employee meets with an accident or contracts an occupational disease that results in his disablement or death, such an employee or his dependents will be entitled to the benefits provided for in this Act

# Included Employees

Employee  
under  
learnership or  
apprenticeship

Casual/  
temporary  
employee

Director or  
member of a  
closed  
corporation



# Excluded Employees

**Person employed by the State to perform military service**

**Member of the permanent force or the SANDF**

**Person who contracts for the carrying out of work and engages someone else to perform such work**

**Domestic worker employed in a private household**

# Assessment

- 2019/2020 Return of Earnings due on the 31<sup>st</sup> May 2020
- Commissioner assesses the employer based on information on the return
- Return – Online submission

The screenshot shows the 'labour' website for the Department of Labour, Republic of South Africa. The page features a navigation menu on the left with options like 'Register as a DOL Online User' and 'Register a claim'. The main content area is titled 'ONLINE SUBMISSION PORTAL' and contains an urgent notice for medical practitioners. Below the notice are two registration options: 'Organisation Representative' and 'Medical Practitioner'. On the right side, there is a login section with fields for 'Username' and 'Password', a 'login' button, and links for 'Forgot Password', 'Click Here To Register', and 'Need Help'. The South African flag is displayed in the top right corner.

# OID Limit

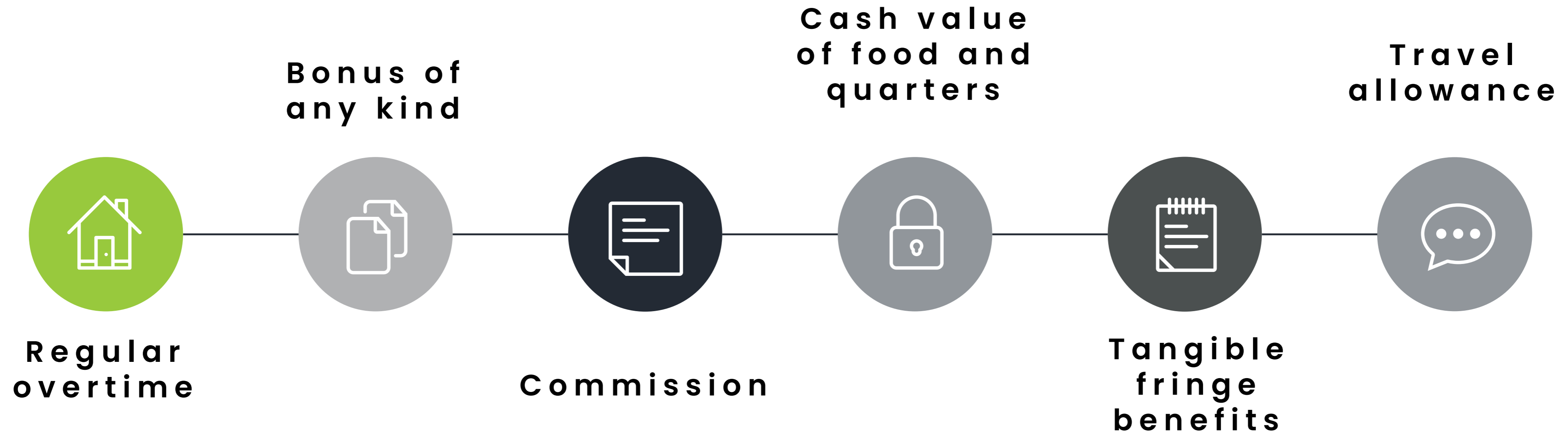
2019/2020

**OID limit is  
R458 520.00**

2020/2021

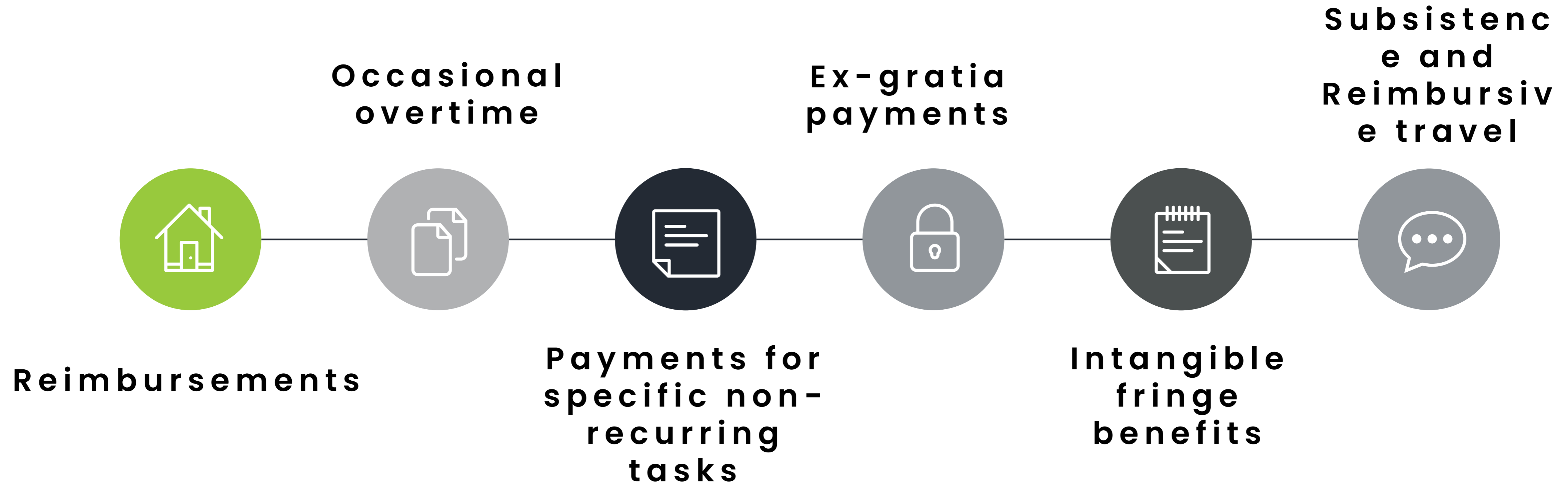
**OID limit is  
R484 200.00**

# Included Earnings



-All package components

# Excluded Earnings




# Reporting

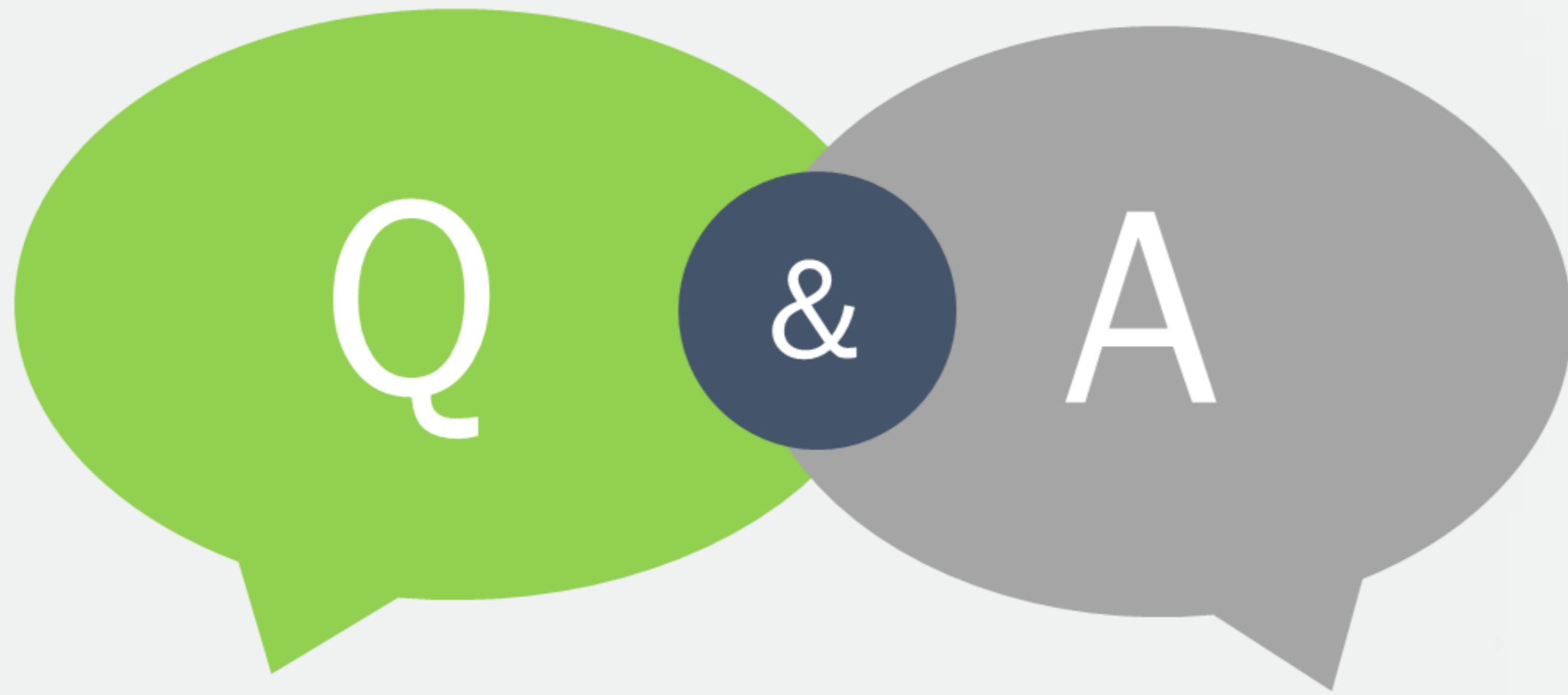
**Report an accident  
within 7 days and  
claim within 12  
months after  
reporting**

**Report a disease  
within 14 days  
and claim within  
12 months after  
reporting**

# Return of Earnings (W.As.8 return)

- The employer must submit the Return of Earnings (W.As.8 return) before 31 March every year and provide the Compensation Commissioner with the amount of earnings paid by the employer to his employees for the period

 <b>labour</b> Department: Labour REPUBLIC OF SOUTH AFRICA		RETURN OF EARNINGS	
		W.As. 8	
COIDA, 1993 (ACT 130 OF 1993) Section 82f. The Hon., Prof., Dr., Rev., Messrs., Mr., Ms.,		To be completed and submitted by all employers to: Assessments Division 355, Pretoria, 0001 Compensation House Car Hamilton Street & Soutpansberg Road, Arcadia Call centre 0860105350	
		Only original document will be accepted. Information relating to earnings (staff costs) should be kept for at least 4 years.	
		REFERENCE NUMBER	
		Year of assessment	01 March 2016 to 28 February 2017
		Date of issue	
		This return must be submitted on or before 31 March 2017	
		Refer to the enclosed guidelines before completing the return.	
<b>PART 1: EMPLOYER PARTICULARS</b>		Complete the white blocks only where particulars have changed. Use block letters where applicable, and mark with an X	
1.1 Co/CC Registration name (per Cipro). Sole Proprietor: Name of owner.		T A X	Y E A R E N D
1.2 Tradingname (if applicable)			
1.3 Co or CC number.		2 0 0 0 0 0 8 1 7 3 0 7	
1.4 Employer's ID number.			
1.5 Unemployment Insurance no.		0 6 0 2 7 3 7 1	
1.6 Postal address.		M e n l y n	W o o d s O f f i c e
		2 9 1	S p r i t e A v e n u e
		F a e r i e	G l e n P o s t a l c o d e: 2 0 0 0
1.7 Physical address.			



**THANKS FOR LISTENING**  
**WE'LL BE ANSWERING QUESTIONS NOW**

