



COVID-19 GUIDELINE: SMEs E90 Million Relief

This guideline is issued following the Honourable Prime Minister's statement announcing the E90 million relief fund for businesses with a turnover of up to E8 million. It is to provide clarity on how the SRA will administer this arrangement.

The relief will be in the form of a refund of Company/Business tax paid in the tax year 2019, which ended 30 June 2019. This shall be effected on a month-by-month basis at 25% for each month completed under the government pronounced lockdown, limited to 100% of the tax paid in tax year 2019. **This means those taxpayers who declared losses or submitted nil returns DONOT qualify.**

Taxpayers who qualify for this intervention may apply to the SRA for consideration under the COVID-19 tax relief.

Qualification Criteria

1. The business (Including sole traders) must have a turnover of E8 million or less, based on its 2019 submissions.

2. The taxpayer must have been compliant with all legal requirements under all tax types with regards to filing and payments as detailed below:

a. Submission of returns

- i. Income tax – All returns due up to December 2019
- ii. VAT – Up to February 2020.
- iii. PAYE – Up to February 2020.
- iv. Filing extension - Only late submissions with pre-approved filing extensions will be considered as on time.
- v. On time submission of Excise returns.

The above should have been submitted on time that is on or before the due date.

b. Payment

- i. Taxpayers should be up to date with payments for all tax types
- ii. Taxpayers on debt arrangements – Only arrangements for debts emanating from audits will be considered on condition arrangements have been honoured as at 1 April 2020.

NB: - Returns and payment compliance for VAT and PAYE should be up to a month before the Relief Request month, e.g. for April requests, the taxpayer's compliance should be up to February 2020; May up to March 2020; and so forth.

- Those with Customs Compliance issues/debts will not qualify

3. Taxpayer should have retained permanent employees with at least half pay for the months claimed and must provide proof of same, such as a P.A.Y.E return indicating salaries paid and taxes deducted.

4. Application for this relief shall be done through filling in the COVID 19 tax relief request form, which will be made available on the SRA website and submitting this form together with the supporting documentation to info@sra.org.sz.

NO PHYSICAL SUBMISSIONS WILL BE ACCEPTED.

5. Application Requirements include

- a. Correctly filled COVID 19 tax relief request Form
- b. COVID 19 impact evidence – Taxpayers should submit together with the request form, supporting evidence that demonstrate the effect of the COVID situation on the business starting from April 2020 and subsequent months.
- c. Payroll schedules for January 2020 and each month after that up to the date at which the application for relief is made (as evidence for retention and payment of employees).
- d. Applications will be considered at the end of each completed calendar month with April 2020 being the 1st month.
- e. All requests must be submitted by the 7th of the subsequent month, starting on the 7th May.

6. Refunds Payment by SRA

a. Qualifying taxpayers will be paid/ refunded by the end of the month on which the request was received (provided the request was submitted on time and in full).



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