

2020 PAY AS YOU EARN (PAYE) RECONCILIATION BY EMPLOYERS

Following the recent Public Notice on FILING OF INCOME TAX RETURNS (COMPANIES AND INDIVIDUALS), the Eswatini Revenue Authority (SRA) hereby advises that **ALL** employers, including those who do not have employees that fall within the PAYE tax bracket, shall submit an annual return of salaries (PAYE 15 and PAYE 16) for reconciliation purposes; these **MUST** be submitted by 30 September 2020.

Mode of submission:

- In an effort to simplify annual reconciliation statements submissions and a quicker processing cycle, employers are urged to utilize the PAYE Reconciliation spreadsheet (i.e., the recommended spreadsheet/notepad).
- It is **NO LONGER PERMISSIBLE** for large and medium taxpayers to submit physical PAYE Reconciliations.
- Employers are required to download a soft copy of the PAYE Reconciliation spreadsheet from the SRA website (www.sra.org.sz). and e-mail the completed soft copy to:
 - relevant Customer Relation Manager (CRM) for Large Taxpayers; or
 - Paye_SME@sra.org.sz for Medium and Small Taxpayers (i.e., SMEs)

Important to note:

- I. Employers with a payroll software should extract the very same report from which tax certificates for their employees are printed and submit in notepad format.
- II. Employers who do not have a payroll software or if the payroll software cannot be converted into notepad format may use the PAYE Reconciliation Spreadsheet which can be downloaded from our website
- III. All submissions and calculations should be in accordance with the requirements of Legal Notice no 3 of 2005 with regards to the Final Deduction System (FDS) procedure - this Legal Notice is contained in the PAYE Tables also available for download on the SRA website;
- IV. The Final Deduction System must be correctly applied for the submission to be accepted as complete, failing which it shall be rejected during submission; Information such as **Personal Identity Numbers (PINs)** and **Graded Tax numbers** should be verified prior to the submission of the reconciliation by employer. Taxpayers' submissions with incorrect or incomplete information will be considered as a **NON-SUBMISSION**;
 - For notepad format submissions, the graded tax numbers should exclude the **first six digits** (i.e., chief and Indvuna codes);
 - For excel format submissions, the graded tax numbers should be complete in that it should contain up to 15 digits;
- V. All submissions should have **employee numbers** for ease of reference;
- VI. Tax Certificates should **ONLY** be printed once a written endorsement is made by the Commissioner General that indeed the PAYE Reconciliation is correct and all PAYE payments (remissions) have been made;
- VII. For any further clarification, please contact the applicable Customer Relationship Manager/Contact person, or call the SRA Contact Centre number (+268 2406 4050) or email to info@sra.org.sz for assistance prior to such submission.

THANK YOU.