

Frequently Asked Questions (FAQs)

Submission of EMP501 Where the Income Tax Number Is Not Available

Purpose

To provide guidance to employers on how to submit the Employer Reconciliation (EMP501) where an employee's income tax number is not available, and the employee cannot be contacted.

Scope

This FAQ applies to all employers submitting EMP501 reconciliations via e@syFile™ Employer or eFiling.

1. What must I do if I do not have an employee's income tax number?

You must first attempt to obtain the income tax number before submitting your reconciliation. This can be done through SARS systems or directly from the employee.

2. Can I obtain the income tax number using the employee's ID number?

Yes. If you have the employee's South African ID number, you can attempt to request the income tax number using the relevant SARS system functionality (e.g., ITREG), provided the employee's details match SARS records.

3. What must I do if the system does not return a tax number or I only have a passport number?

In such cases, you must obtain the income tax number directly from the employee, as it cannot be generated or retrieved without sufficient matching information.

4. What if I cannot contact the employee to obtain the income tax number?

If all reasonable attempts to contact the employee have failed, you may proceed with your reconciliation submission by not finalising the certificate, deleting or cancelling it, and capturing the PAYE amount under 'Tax paid on behalf of employee' on the EMP501.

5. Will the employee receive the benefit of PAYE deducted in this case?

No. If the income tax number is not captured, the PAYE deducted cannot be allocated to the employee's tax record, and the employee will not receive the benefit during assessment.

6. What happens if the employee is affected when submitting their tax return?

The employee will be required to contact the employer to resolve the issue by providing their income tax number.

7. What must I do when the employee provides their income tax number at a later stage?

You must capture the income tax number on the tax certificate, remove the amount from 'Tax paid on behalf of employee', and submit an updated reconciliation.

8. Why must I follow this process?

This process ensures that employers can submit their EMP501 on time, liabilities are correctly declared, no undue credits are created, and employee benefits are only granted once correct taxpayer details are verified.

9. Is this the standard process for all employees without tax numbers?

No. This is a temporary workaround applicable only where the employee cannot be contacted and the income tax number cannot be obtained through normal channels.

10. What are the potential implications of using this approach?

Employees may not receive PAYE credit until corrected, additional administrative steps will be required, and there may be delays in finalising tax matters.