

# Process and CSV File Specification for Third Party Appointments (AA88)

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Date	Version	Description	Author/s	Comment
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2010/08/12	V1.1	Format adjustment for currency related fields to include cents	SARS	Changes marked in red starting on page 14
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2013/01/31	V1.3	Terminology updated and alignment with e@syFile Employer version V6.3.0. New field added for Transaction Status.	SARS	Changes marked in purple

## Table of Contents

1. DEFINITIONS AND ACRONYMS .....	4
2. INTRODUCTION .....	6
3. PROCESS OVERVIEW OF THE THIRD PARTY APPOINTMENT PROCESS FOR EMPLOYERS.....	7
4. CSV FILE LAYOUTS – INPUT/ OUTPUT FILE FOR PAYROLL SOFTWARE .....	9
5. AA88 OUTCOME DETAIL .....	19

# 1. DEFINITIONS AND ACRONYMS

The following definitions and acronyms have been defined to provide assistance in identifying the meaning of SARS's terminology.

Term	Description
<b>Alpha</b>	<ul style="list-style-type: none"> <li>Alphabet A until Z</li> <li>Upper Case and Lower Case</li> <li>Dash (-)</li> <li>Space ( )</li> <li>Comma (,)</li> <li>Apostrophe (')</li> <li>Characters such as ê, ë etc.</li> </ul>
<b>Alphanumeric</b>	<ul style="list-style-type: none"> <li>Alphabet A until Z</li> <li>Upper Case and Lower Case Characters</li> <li>Dash (-)</li> <li>Space ( )</li> <li>Comma (,)</li> <li>Apostrophe (')</li> <li>Characters such as ê, ë etc.</li> <li>Numbers 0 to 9</li> </ul>
<b>Conditional Fields</b>	<ul style="list-style-type: none"> <li>Fields that must be completed subject to defined conditions, e.g. mandatory if related fields have been completed</li> </ul>
<b>CSV File</b>	<ul style="list-style-type: none"> <li>Comma Separated Value File</li> </ul>
<b>Employee</b>	<ul style="list-style-type: none"> <li>Refer to the definitions in the Fourth and Seventh Schedule to the Income Tax Act</li> </ul>
<b>Employee's tax</b>	<ul style="list-style-type: none"> <li>An amount of tax that an employer must deduct or withhold from remuneration paid or payable to an employee. Employee Tax is deducted during the tax period.</li> </ul>
<b>Employer</b>	<ul style="list-style-type: none"> <li>Refer to the definitions in the Fourth and Seventh Schedule to the Income Tax Act</li> </ul>
<b>ID Number</b>	<ul style="list-style-type: none"> <li>The current 13 digit bar-coded South African Identity Number</li> </ul>
<b>IT</b>	<ul style="list-style-type: none"> <li>Income Tax</li> </ul>
<b>AA88</b>	<ul style="list-style-type: none"> <li>Formerly referred to as ITA88 as Third Party Appointments can be used for different tax types it was changed to AA88.</li> <li>The <b>notice</b> issued to an employer appointing the employer as an Third party to deduct monies owed to SARS.</li> <li>Similar to garnishee order with the exception of that no court order is required for the Third party appointment</li> <li>Contains Third party appointment information (issued/created and/or cancellations) for 1 or more taxpayers</li> <li>Please refer to information structure below</li> </ul>
<b>AA88R</b>	<ul style="list-style-type: none"> <li>A Reconciliation statement issued monthly to an employer showing the movement on Third party appointments of the previous calendar month</li> </ul>
<b>Mandatory Fields</b>	<ul style="list-style-type: none"> <li>Fields that must be completed as a rule, permitting no option and therefore not to be disregarded</li> </ul>
<b>Numeric</b>	<ul style="list-style-type: none"> <li>Numbers from 0 to 9</li> </ul>
<b>Optional Fields</b>	<ul style="list-style-type: none"> <li>Fields that can be completed based on applicability and availability. These fields are not mandatory</li> </ul>

Term	Description
<b>PAYE</b>	<ul style="list-style-type: none"> <li>• Pay-As-You-Earn</li> </ul>
<b>Payroll Authors</b>	<ul style="list-style-type: none"> <li>• This refers to a group of companies who supply and support computerised payroll systems on a commercial basis</li> </ul>
<b>Representative Employer</b>	<ul style="list-style-type: none"> <li>• Refer to the definitions in the Fourth Schedule to the Income Tax Act</li> </ul>
<b>SARS</b>	<ul style="list-style-type: none"> <li>• South African Revenue Service</li> </ul>
<b>Taxpayer</b>	<ul style="list-style-type: none"> <li>• Any person who is required to be registered with SARS for the purposes of income tax.</li> </ul>
<b>Third Party Appointment</b>	<ul style="list-style-type: none"> <li>• Formerly known as Agent Appointments. This is the new official term as specified by the Tax Administration Act</li> </ul>
<b>XML</b>	<ul style="list-style-type: none"> <li>• Extensible Mark-up Language</li> </ul>

## 2. INTRODUCTION

As part of the SARS's direction to balance service with compliance, administrative penalties were introduced during January 2010 where taxpayers (individuals –or natural persons) failed to submit Personal Income Tax Returns.

Penalties accumulate on a monthly basis should the taxpayer fail to resolve the problem that gave rise to the original penalty.

The [Third Party Appointment \(AA88 notice\)](#) has been introduced as a means to collecting long outstanding administrative penalty debt. [This was formerly known as Agent Appointments.](#)

Employers of taxpayers will be appointed as third party's to deduct the overdue amount from the taxpayer's salary. Employers will be appointed via the use of e@syFile™ Employer channel or the post channel for those Employers not registered for eFiling.

Functionality will be added to the e@syFile™ application to:

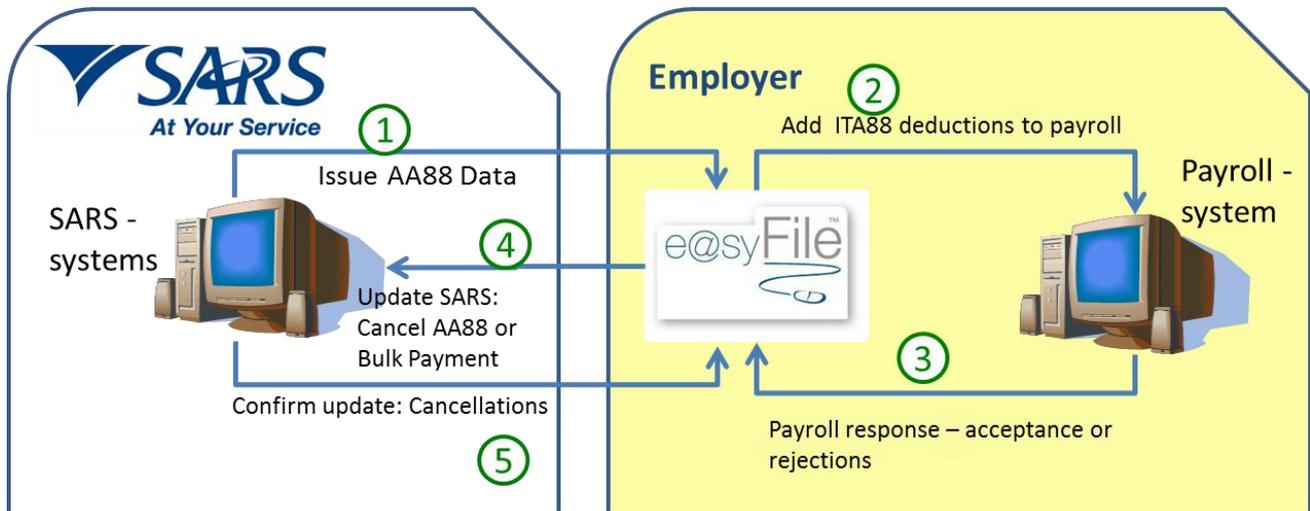
- Notify Employers of AA88 appointments;
- Enable Employers to easily manage third party appointments received;
- Capture outcomes (No longer employed, [Affordability Request](#) etc.) for each taxpayer;
- Submit the response back to SARS for updates (Cancellations or Replacements) to the Third Party Appointments;
- Ensure employers are able to discharge their responsibility in a timely manner by providing a monthly Reconciliation Statement reflecting movements and current status of third party appointments for the previous calendar month.

A key part of the e@syFile™ functionality would give the employer the ability to create a Payroll Input (csv) file. The file can be uploaded to the employer's Payroll System in order to load the AA88 deduction against a taxpayer's salary. After processing the file the Payroll System must have the ability to respond with a Payroll Export (csv) file containing the outcomes (i.e. successfully processed, Processing Failure, [Affordability Request](#), etc.). e@syFile™ will consolidate these outcomes received from the Payroll Export (csv) file before submission back to SARS.

The aim of this document is to specifically define this process.

### 3. PROCESS OVERVIEW OF THE THIRD PARTY APPOINTMENT PROCESS FOR EMPLOYERS

#### Business View:

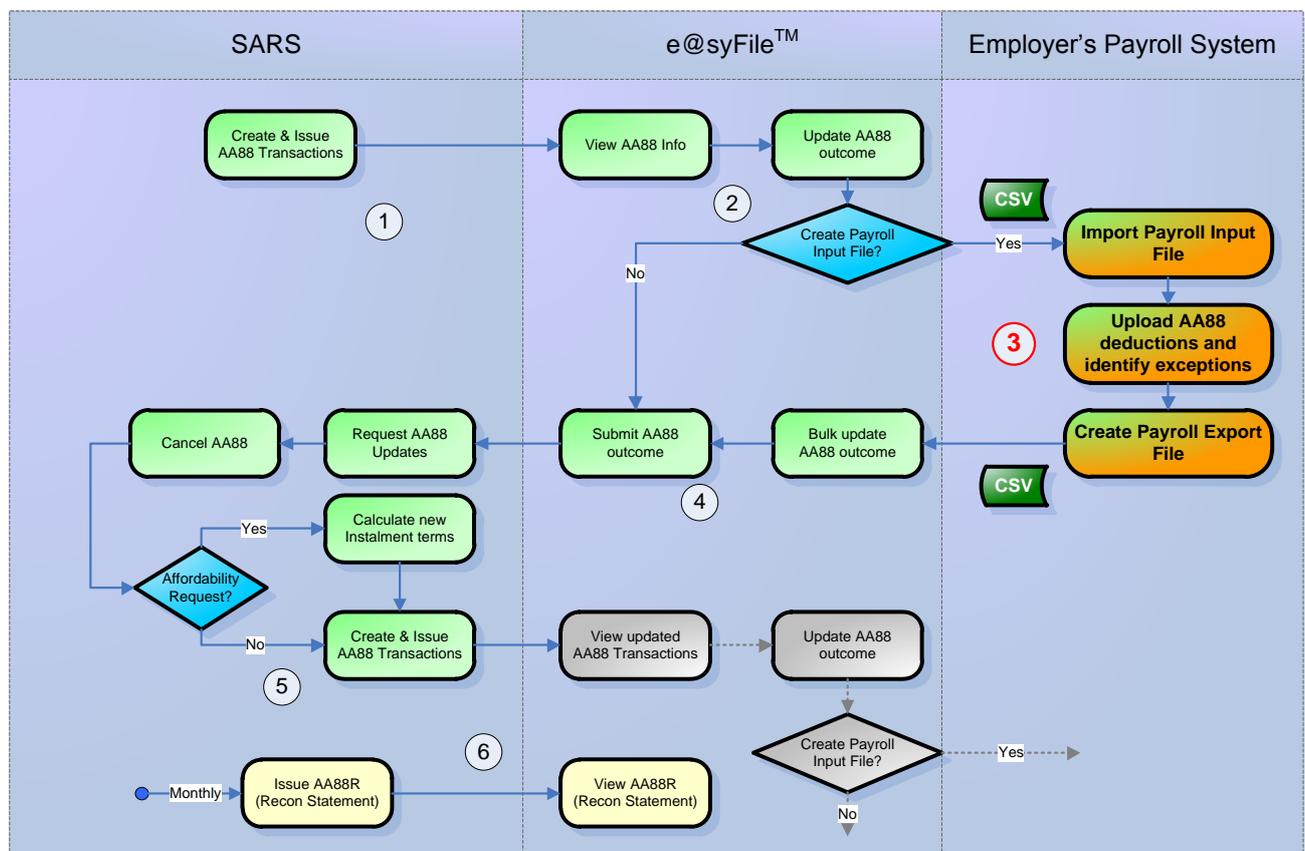


1. On a monthly basis SARS will issue AA88 –Third Party Appointments to employers where employees failed to pay their **outstanding debt to SARS**
2. An employer's e@syFile™ application will receive the employee's third party appointment information (for example Employee's ID number, Amount Due, Due date for payment etc.) The user will be able to export a file from e@syFile™ ("Payroll Input File") containing all this employee information in the correct file format (CSV) for a payroll system to import.
3. The Payroll system will systematically work through the imported file to load the deductions against the salaries of the individuals. Where the payroll system successfully processed the deduction it will be seen as an 'acceptance' of the third party appointment. When the payroll system fails to process an individual (for example no longer employed – not on payroll system) it will be communicated back to e@syFile™ as a rejection. The payroll system will provide a response file ("Payroll Export File") containing all the acceptances and rejections. **This file can be imported into e@syFile™ to do a bulk update of outcomes for employees**
4. e@syFile™ will communicate these rejections/ exceptions back to SARS. The SARS systems will cancel and/ or replace the third party appointments (replace - applicable for employees with affordability issues). The employer will be able to pay the 'accepted' third party appointments through the existing Bulk Payment process.
5. SARS will confirm the cancellations and re-issued third party appointments back to e@syFile™ **(The responses should be issued back to employers within 24 hours after submission)**

Note: When an employer identifies a case where the employee/ taxpayer can't afford the requested amount from SARS, the employer can "request affordability" for such a taxpayer by submitting this outcome back to SARS. SARS will calculate affordability terms based on PAYE submission data. The original transaction will be cancelled and replaced with a new one from SARS. (Based on the merit of the new transaction the terms might not be adjusted as requested) If the affordability terms provided by SARS are in the employee's view too onerous, the employee is required to visit a SARS branch to make necessary arrangements and substantiate what is affordable in order to allow for the employee to pay for basic living expenses.

## Technical View:

The following diagram depicts the AA88 process as enabled through the e@syFile™ application for Employers. This document specifically deals with the csv file layouts for the Payroll systems as depicted in point 3 of the diagram.



This process is preceded by the imposition of penalties against non-compliant taxpayers. If there is an undisputed, overdue balance on a taxpayer's account at the start of the 3<sup>rd</sup> month from the original penalty, the Third Party Appointment process will be triggered:

1. SARS will issue Third Party Appointment (AA88) information per employer (PAYE number) to e@syFile™. e@syFile™ will notify employers of Third Party Appointments using the Notification Centre functionality.
2. The employer will be able to view the Third Party Appointment information on e@syFile™ per employee and take one of the following actions:
  - the employer can capture an outcome per employee on e@syFile™ and submit it back to SARS to update the AA88 information **without** importing it into a Payroll System. The following outcomes will be available:
    - Taxpayer employment confirmed
    - Taxpayer not employed
    - Taxpayer Deceased
    - Taxpayer Insolvent
    - **Affordability Request** (Refer to section 5 – Outcome Detail)
  - or the employer can create within e@syFile™ a Payroll Input file (either containing outcomes captured on e@syFile™ or without). If outcomes were selected before creating the Payroll Input (CSV) file, only transactions with the "Taxpayer employment confirmed" or empty outcomes will be included in the Payroll Input file. (For example if the employer indicated that a taxpayer is no longer employed, there is no need to import this record into the employer's payroll system)

- Employer can also pre-select the employees to include the csv file.
  - If no outcomes were selected before the creation of the Payroll input file all records (outcome equals empty) will be included in the Payroll Input file
3. The Payroll Input file (CSV format) will be imported into the Payroll System to process the deductions against the applicable employees. This process might result in the following outcomes:
    - Successfully Processed - Taxpayer employment confirmed;
    - Processing Failed (Employee does not exist on payroll) - Taxpayer not employed;
    - Processing Failed (Employee can't afford deduction) – **Affordability Request**
    - Processing Failed – Taxpayer Deceased
    - **Processing Failed – Taxpayer Insolvent**  
(Refer to section 5 – Outcome Detail)
- These outcomes will be reflected on the Payroll Export File submitted back into e@syFile™
4. e@syFile™ will update and consolidate the outcomes before submission back to SARS.  
(Only 1 outcome code per taxpayer will be submitted to SARS)
  5. When receiving the response file from e@syFile™, SARS will update the AA88 information on the SARS accounting system by either:
    - Cancelling the third party appointment where the specific employer can't be held liable
    - Cancelling the third party appointment where the specific employee can't afford the deduction and replace it with a new third party appointment **with the instalment terms as calculated by SARS.**

SARS will respond to e@syFile™ with an updated AA88, confirming the request from the employer as soon as it was successfully processed by SARS.

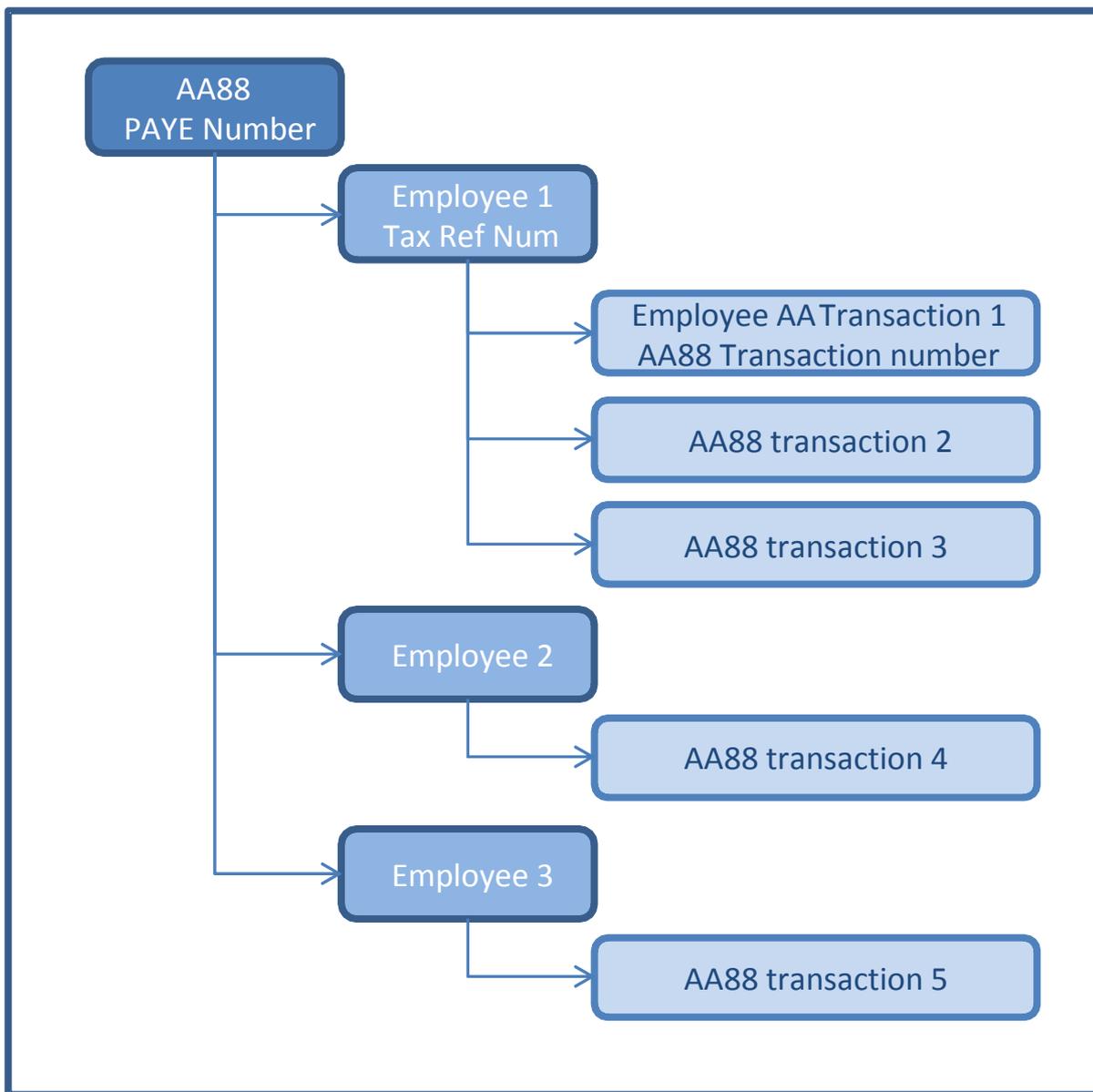
(Note: only the exceptions - where the employer cannot deduct the amounts as specified on an AA88 will be submitted to SARS)

6. At the beginning of each month an AA88 Reconciliation Statement (AA88R) per employer (PAYE number) will be issued for the Third Party Appointment movements of the previous calendar month.
  - This Reconciliation view will indicate the Opening and Closing Balances per employee, reflecting all appointments, cancellations, and payments processed by SARS (movements) during the calendar month for that employee. (Note this statement will only be sent to e@syFile™ it will have no impact on Payroll Systems)
  - A basic reconciliation report will be provided to enable exceptions to be identified between SARS records (as reflected in the AA88 Reconciliation Statement) and those of the Employer (as per the Payroll Export File). e@syFile™ will also have a CSV export function to enable users to export all SARS and Employer data to Excel to enable further data analysis.

e@syFile™ will also have the functionality to process **bulk payments through the eFiling** ad hoc payment option (Not represented on diagram above). This option allows an employer to make a single payment for the AA88s while creating separate receipts for each employee. This will allow SARS to allocate the appropriate amount of single payment to the each of the employee's (taxpayer) SARS account.

## 4. CSV FILE LAYOUTS – INPUT/ OUTPUT FILE FOR PAYROLL SOFTWARE

1. The CSV file must comply to the following general requirements:
  - a. With the exception of 1 field (AA88 Outcome), SARS will pre-populate the Payroll Input file (CSV) with all the required information via the e@syFile™ Employer application.
  - b. AA88 information exists of the following information structure:



Multiple taxpayers can be presented per PAYE number. Each taxpayer might also have multiple Third Party Appointment Transactions (AA88 Transactions). For example – Penalties will recur monthly, while the non-compliance is not remedied, this incremental amount will be included in a new monthly AA88 transaction.

- c. The record structure of the Payroll files is as follows:
  - Employer demographic header record;
  - Employee demographic and Third Party Appointment transaction information (multiple transactions per employee might occur); and
  - Employee outcome information
- d. Each CSV file may only contain third party appointment information for one employer;
- e. SARS will allocate the employee to the employer who issued the last tax certificate for the employee. The employer (or Payroll System) must determine where the employee is currently residing within different payroll systems or affiliated company entities

2. The definition of the column headings specifying the CSV file layout are as follows:

- Name: the name of the relevant field associated with the code.
  - Code: the source code that must be used to indicate the relevant information.
  - Length: the number of characters that the field may consist of, and the type of field:
    - N indicates a numeric field only;
    - A indicates an alpha field
    - AN indicates an alphanumeric field;
    - FT indicates a free text field,
    - The number indicated after the above indicators indicate the maximum number of characters or digits that may be entered for the relevant field.
  - Description: a brief description of the field and the information required for that field;
  - Fields that do not have a value can be omitted from the file. The number of fields per record can vary from record to record.
  - Validation rules: the validation rules that must be complied with to ensure that the information declared is acceptable to SARS.
3. If the employer decides to capture outcomes in e@syFile™ before exporting to a Payroll System, only the records with a 'Taxpayer employment confirmed' (Code - 01) or 'empty' outcome will be included in the file export.

## Payroll Input File Layout: (Exported from e@syFile™)

If the employer decides to capture outcomes in e@syFile™ before creating the Payroll Input File, only taxpayers with blank outcomes or “Employment Confirmed” will be exported. The user can however select taxpayers and when the “Export to Payroll” button is selected only their records will be exported

Name	Code	Length	Description	AA88 Validation Rules
<b>Employer Information</b>				
Trading or Other Name	2010	FT90	Name or trading name of employer receiving the AA88	<ul style="list-style-type: none"> <li>• Mandatory field;</li> <li>• First code of record of the electronic file and may not be preceded by any other character (e.g. space, comma, etc.);</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
PAYE Reference Number	2020	N10	The reference number of the employer.	<ul style="list-style-type: none"> <li>• Mandatory field;</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Must consist of 10 numeric characters;</li> <li>• The number must start with a “7”.</li> <li>• Must be a valid reference number (apply modulus 10 test).</li> </ul>
Payroll Software	2028	FT12	Indicates which Payroll Software package is being used.	<ul style="list-style-type: none"> <li>• Optional;</li> <li>• Will be stored on e@syFile™ if supplied by a previous -Payroll output file</li> <li>• If you are not using a commercial software package the word “In-house” may be used</li> </ul>
End of Record	9999	N4	Indicates the end of the record	<ul style="list-style-type: none"> <li>• Mandatory;</li> <li>• Fixed code;</li> <li>• Last code of the electronic record and it may not be followed by any other character (e.g. space, comma, etc.).</li> </ul>

Name	Code	Length	Description	AA88 Validation Rules
<b>Employee Information</b>				
AA88 Transaction Number	3320	AN10	Unique agent appointment transaction allocated to taxpayer for each agent appointment raised against such a taxpayer.	<ul style="list-style-type: none"> <li>• Mandatory field;</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
Employee surname or trading name	3030	FT120	Surname of the employee.	<ul style="list-style-type: none"> <li>• Mandatory field;</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
First Two Names	3040	FT90	First two names of the employee	<ul style="list-style-type: none"> <li>• Mandatory field:</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
Identity number	3060	N13	RSA identity number of the employee.	<ul style="list-style-type: none"> <li>• Mandatory field if passport number is not completed;</li> <li>• AA88 will currently only apply to natural persons</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Must consist of 13 characters;</li> </ul>
Passport number	3070	AN16	Passport number or other number (non-bar-coded RSA ID numbers) of the employee.	<ul style="list-style-type: none"> <li>• Mandatory field if identity number is not completed.</li> <li>• AA88 will currently only apply to natural persons</li> <li>• Minimum of 7 characters.</li> </ul>
Income tax reference number	3100	N10	Income tax reference number of employee.	<ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Must pass modulus 10 test;</li> </ul>
Employee number	3160	AN25	Unique number allocated by employer to identify his employees (e.g. payroll number).	<ul style="list-style-type: none"> <li>• Optional</li> <li>• Will be stored on e@syFile™ once supplied by an employer for employer's future use. If not supplied by a previous Payroll output file this field will be empty. This field will not be used by SARS</li> </ul>
AA88 Issue Date	3321	N8	Date the AA88 was issued from SARS.	<ul style="list-style-type: none"> <li>• Mandatory</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Format: CCYYMMDD;</li> <li>• Date cannot be greater than the current date.</li> </ul>

Name	Code	Length	Description	AA88 Validation Rules
AA88 Start Date	3322	N8	Start date is the due date ( $\pm$ 30 Days after Issue Date) of the 1 <sup>st</sup> installment of an agent appointment (AA88). For 1 month agent appointment the start and end date would be the same.	<ul style="list-style-type: none"> <li>• Mandatory if Cancellation Date is empty;</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Must be in the format CCYYMMDD;</li> </ul>
AA88 End Date	3323	N8	End date is the due date of the last installment of an agent appointment (IT88). For 1 month agent appointment the start and end date would be the same.	<ul style="list-style-type: none"> <li>• Mandatory if Cancellation Date is empty;</li> <li>• Will be provided by SARS (pre-populated)</li> <li>• Must be in the format CCYYMMDD;</li> <li>• Cannot be earlier than the start date;</li> <li>• If the end date equals the start date it implies a 1 month Agent Appointment</li> </ul>
AA88 Monthly Deduction	3324	N11.2	The rand-value of the amount requested as a monthly installment. For 1 month agent appointment this amount will equal the Amount Due	<ul style="list-style-type: none"> <li>• Mandatory if Cancellation Date is empty;</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
Amount Due	3325	N11.2	The total rand-value amount at the issue date of the agent appointment	<ul style="list-style-type: none"> <li>• Mandatory if Cancellation Date is empty;</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
Payment Reference Number	3326	AN19	The 19 digit payment reference number supplied by SARS for payment allocation to a taxpayer's account	<ul style="list-style-type: none"> <li>• Mandatory if Cancellation Date is empty;</li> <li>• Will be provided by SARS (pre-populated)</li> </ul>
AA88 Cancellation Date	3330	N8	The date on which the AA88 transaction was cancelled	<ul style="list-style-type: none"> <li>• Will be <u>provided by SARS</u> (pre-populated), if transaction was cancelled</li> <li>• Must be in the format CCYYMMDD;</li> </ul>
AA88 Cancel Value	3331	N11.2	The total rand value of the cancelled agent appointment	<ul style="list-style-type: none"> <li>• Will be provided by SARS (pre-populated) if transaction was cancelled</li> </ul>
AA88 Cancellation Reason	3332	FT90	A specified reason for cancellation as defined by SARS	<ul style="list-style-type: none"> <li>• Will be <u>provided by SARS</u> (pre-populated) if transaction was cancelled</li> </ul>

Name	Code	Length	Description	AA88 Validation Rules
AA88 Transaction Status Code	3351	N2	This indicates the transaction's status at the time of exporting from e@syFile	<ul style="list-style-type: none"> <li>• 02 – Active, new transaction issued, not yet due;</li> <li>• 04 – Completed, cancelled transaction (see cancel reason);</li> <li>• 07 – Active, existing transaction, overdue (Default);</li> <li>• 09 – Completed, finalised transaction (paid or settled)</li> </ul>
End of Record	9999	N4	Indicates the end of the record	<ul style="list-style-type: none"> <li>• Mandatory;</li> <li>• Fixed code;</li> <li>• Last code of the electronic record and it may not be followed by any other character (e.g. space, comma, etc.).</li> </ul>

## Payroll Export File Layout: (Importing into e@syFile™)

This csv file will be created by a Payroll system or a user can create it with in a spread sheet application. (Please note that if spread sheet applications are used that leading zeros are normally removed that might lead to import failures into e@syFile)

Name	Code	Length	Description	Validation Rules
<b>Employer Information</b>				
Trading or Other Name	2010	FT90	Name or trading name of employer receiving the AA88	<ul style="list-style-type: none"> <li>• Read Only – Must not be updated by Payroll System</li> </ul>
PAYE Reference Number	2020	N10	The reference number of the employer.	<ul style="list-style-type: none"> <li>• Read Only – Must not be updated by Payroll System</li> </ul>
Payroll Software	2028	FT12	Indicates which Payroll Software package is being used.	<ul style="list-style-type: none"> <li>• <b>Optional;</b></li> <li>• <b>Will be stored on e@syFile™ if populated in Payroll Export file</b></li> </ul>
End of Record	9999	N4	Indicates the end of the record	<ul style="list-style-type: none"> <li>• Mandatory;</li> <li>• Fixed code;</li> <li>• Last code of the electronic record and it may not be followed by any other character (e.g. space, comma, etc.).</li> </ul>

Name	Code	Length	Description	Validation Rules
<b>Employee Information</b>				
AA88 Transaction Number	3320	AN10	Unique agent appointment transaction allocated to taxpayer for each agent appointment raised against such a taxpayer.	<ul style="list-style-type: none"> <li>• <b>Mandatory</b></li> <li>• Read Only – Must not be updated by Payroll System</li> </ul>
Employee number	3160	AN25	Unique number allocated by employer to identify his employees (e.g. payroll number).	<ul style="list-style-type: none"> <li>• <b>Optional</b></li> <li>• <b>Will be stored on e@syFile™ if populated in Payroll Export file</b></li> </ul>
Employer AA88 Monthly Deduction	3324	N11.2	The rand-value of the amount processed as the monthly installment in the payroll system.	<ul style="list-style-type: none"> <li>• Optional – only to be supplied if Employer would like to perform a reconciliation of SARS data and their data on e@syFile™</li> <li>• Numeric only</li> </ul>
Employer Amount Due	3325	N11.2	The total rand-value amount at the issue date of the agent appointment	<ul style="list-style-type: none"> <li>• Optional – only to be supplied if Employer would like to perform a reconciliation of SARS data and their data on e@syFile™</li> <li>• Numeric only</li> </ul>
Employer AA88 Cancellation Date	3330	N8	The date on which the AA88 transaction was cancelled	<ul style="list-style-type: none"> <li>• Optional – only to be supplied if Employer would like to perform a reconciliation of SARS data and their data on e@syFile™</li> <li>• Must be in the format CCYYMMDD</li> </ul>
Employer AA88 Cancel Value	3331	N11.2	The rand value of the cancelled amount	<ul style="list-style-type: none"> <li>• Optional – only to be supplied if Employer would like to perform a reconciliation of SARS data and their data on e@syFile™</li> <li>• Numeric only</li> </ul>
Employer AA88 Paid Amount	3340	N11.2	The rand value of a payment received against a specific AA88 transaction	<ul style="list-style-type: none"> <li>• Optional – only to be supplied if Employer would like to perform a reconciliation of SARS data and their data on e@syFile™</li> <li>• Numeric only</li> </ul>
AA88 Outcome Code	3350	N2	The outcome code field is used to indicate whether the agent (employer) would be able to	<ul style="list-style-type: none"> <li>• <b>Mandatory</b></li> <li>• <b>Must be updated by Payroll system with the appropriate 2 digit code:</b></li> </ul>

Name	Code	Length	Description	Validation Rules
			fulfill the obligation as an agent for example the taxpayer might have left the employment of the employer.	<ul style="list-style-type: none"> <li>• 01 - "Successfully Processed - Deduction loaded"</li> <li>• 02 - "Processing Failed (Employee does not exist on payroll) - Taxpayer not employed";</li> <li>• <del>03 - "Processing Failed (Employee can't afford deduction) - Short Term Agent Appointment requested";</del></li> <li>• <del>04 - "Processing Failed (Employee can't afford deduction) - Long Term Agent Appointment requested";</del></li> <li>• 05 - "Processing Failed -Estate Identified - Deceased "</li> <li>• 06 - "Processing Failed -Estate Identified - Insolvent "</li> <li>• 08 - "Processing Failed (Employee can't afford deduction) - "Affordability Requested"</li> </ul> <p>Refer to section 5 – Outcome Detail for detail code descriptions</p>
AA88 Transaction Status Code	3351	N2	This indicates the transaction's status at the time of exporting from e@syFile	<ul style="list-style-type: none"> <li>• 02 – Active, new transaction issued, not yet due;</li> <li>• 04 – Completed, cancelled transaction (see cancel reason);</li> <li>• 07 – Active, existing transaction, overdue (Default);</li> <li>• 09 – Completed, finalised transaction (paid or settled)</li> </ul>
End of Record	9999	N4	Indicates the end of the record	<ul style="list-style-type: none"> <li>• Mandatory;</li> <li>• Fixed code;</li> <li>• Last code of the electronic record and it may not be followed by any other character (e.g. space, comma, etc.).</li> </ul>

## 5. AA88 OUTCOME DETAIL

### Outcomes available in e@syFile™:

These outcomes can be selected per employee on the Third Party Appointments tab within e@syFile™. Outcomes are selected on an employee level and applied to all active transactions against the employee

# Code	Outcome:	Description:	Effect on AA88	Comments
01	Taxpayer employment confirmed	The employer accepts responsibility for the deduction	AA88 Transaction stays active awaiting payment	Records with this outcome will be included in the Payroll Input File for deduction from payroll. This outcome can't be submitted as an exception
02	Taxpayer not employed	The employer indicates that the employee is no longer employed or unknown	All active AA88 transactions against the specific taxpayer will be cancelled	Employer is permitted to reject the AA88 appointment
03	<del>Taxpayer Affordability — Short Term Agent Appointment requested (3-month)</del>	<del>If the employer indicates that the employee won't be able to afford the requested full amount</del>	<del>All active AA88 transactions against the specific taxpayer will be cancelled and replaced by a new AA88 transaction allowing 3 equal monthly installments</del>	Replaced by 08.
04	<del>Taxpayer Affordability — Long Term Agent Appointment requested</del>	<del>If the employer indicates that the employee won't be able to afford the short term (3-month) amount</del>	<del>All active AA88 transactions against the specific taxpayer will be cancelled — future phase will allow for long term AA88</del>	Replaced by 08.
05	Taxpayer Deceased	The employer indicates that the employee is deceased	All active AA88 transactions against the specific taxpayer will be cancelled	Employer is permitted to reject the AA88 appointment
06	Taxpayer Insolvent	The employer indicates that the employee is insolvent,	All active AA88 transactions against the specific taxpayer will be cancelled	Employer is permitted to reject the AA88 appointment
07	<del>Taxpayer Penalty Account —</del>	<del>The employer indicates that a</del>	<del>AA88 Transaction stays</del>	<del>This code not available</del>

	Reallocation of payment	payment was made for a specific employee but the payment does not reflect on the AA88R or the employee still has an outstanding penalty balance for a specific employee (misallocated payment).	active, a case will be created by SARS to investigate the potential misallocation	in current e@syFile functionality
08	Affordability Request	If the employer indicates that the employee won't be able to afford the requested full amount	All active AA88 transactions against the specific taxpayer will be cancelled and replaced by a new AA88 transaction with instalments as calculated by SARS.	SARS calculates affordability based previous PAYE information of an employee

## Outcomes generated by a Payroll system (Outside of e@syFile™):

The Payroll System will either successfully process a record or fail. If the Payroll System has the capability to indicate the reason for failure (i.e. estate or affordability, etc.) these reasons can be translated back to the original outcomes as indicated in the e@syFile™ equivalent column below. Multiple AA88 transactions can exist for a single taxpayer, only 1 outcome must be allowed per employee i.e. if multiple transactions exist for an employee all must contain the same outcome.

If an AA88 transaction contains a request for multiple instalments the last instalment must be rounded up to cover the whole outstanding balance. For example if an AA88 transaction indicates that a capital amount of R1000.00 must be deducted over 3 months, the instalment must be calculated to R333.33, R333.33 and R333.34 respectively. The last instalment contains an extra cent to balance to the total amount of R1000.00

# Code	Processing Result:	Description:	e@syFile™ Equivalent
01	Successfully Processed – Deduction loaded	The employer accepts responsibility for the deduction. This outcome can't be submitted back to SARS as an exception, SARS recognise the payment in the employee's SARS account as confirmation of the deduction	Taxpayer employment confirmed
02	Processing Failed (Employee does not exist on payroll) - Taxpayer not employed";	The employer indicates that the employee is no longer employed or unknown. This outcome will be used also for unmatched records to a PAYE number (for example employee part of the organisation but under different PAYE number)	Taxpayer not employed
03	Processing Failed (Employee can't afford deduction) – Short Term Agent Appointment requested	Replaced by 08. If received in file e@syFile will convert to 08	Affordability Request
04	Processing Failed (Employee can't afford deduction) – Long Term Agent Appointment requested";	Replaced by 08. If received in file e@syFile will convert to 08	Affordability Request
05	Processing Failed –Estate Identified - Deceased	If the payroll system have the capability to identify estate cases	Taxpayer Estate – Deceased
06	Processing Failed –Estate Identified – Insolvent	If the payroll system have the capability to identify estate cases	Taxpayer Estate – Insolvent
08	Affordability Request	If the employer indicates that the employee won't be able to afford the requested full amount	All active AA88 transactions against the specific taxpayer will be cancelled and replaced by a new AA88 transaction with instalments as calculated by SARS.