



# GUIDE FOR COMPLETION AND SUBMISSION OF EMPLOYEES' TAX CERTIFICATES 2025

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## 1 SUMMARY

- a) This guide prescribes the rules for issuing and submitting Employees' Tax certificates.
- b) An "Employees' Tax certificate" is defined in terms of paragraph 1 of the Fourth Schedule to the Income Tax Act No. 58 of 1962. The purpose of this guide is to assist employers in understanding the rules for issuing and completing Employees' Tax certificates (IRP5 and IT3(a)).
- c) For validation rules relating to a specific field on an Employees' Tax certificate as well as rules relating to a specific income or deduction code, refer to external guides: PAYE-AE-06-G07 - Guide for Validation Rules Applicable to Reconciliation Documents 2025 and PAYE-AE-06-G06 – Guide for Codes Applicable to Employees' Tax Certificates 2025.
- d) For more information visit the SARS website [www.sars.gov.za](http://www.sars.gov.za) > Types of Tax > PAYE.

## 2 LEGISLATION BACKGROUND

- a) The Fourth Schedule to the Income Tax Act 58 of 1962 places, amongst other things, the following obligations on an employer:
  - i) To furnish employees to whom remuneration is paid or has become payable with Employees' Tax certificates within the prescribed period; and
  - ii) To submit all reconciliation documents to SARS within the prescribed period.

**Note 1:** The legal requirements would apply if the employer ceased to be an employer or the employee dies, retires or resigns before the closing of the half-yearly period (e.g., 31 August). A final tax calculation at the end of the employee's tax period must be done and the certificate must be issued as a final tax certificate with a calendar month indication of "02" in the certificate number.

- b) *Paragraph 13(1B) of the Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that where an employer has exercised an option to apply an alternate period to all his/her employees or any class of his/her employees, any remuneration paid or payable to such employee(s) during such alternate period shall be deemed to have been paid or to have become payable to such employee(s) during the year of assessment ended on the last day of February of the calendar year in which such alternate period ended.
- c) *Paragraph 13(2) of the Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that the employer must deliver to each of his/her employees' an Employees' Tax certificate within:
  - i) Sixty (60) days after the end of the year of assessment if the employer has not ceased to be an employer in relation to the employee concerned.
  - ii) Fourteen (14) days after an employee has left the employer's service (i.e., the employer has ceased to be an employer in relation to the employee concerned).
  - iii) Fourteen (14) days after the employer has ceased to be an employer (i.e., the employer has ceased to be an employer in relation to all his/her employees); or
  - iv) Such further period as the Commissioner may approve in any particular case.

**Note 2:** In instances where the employee has passed away, resigned or retired, the employer is required to submit the Employees' Tax certificate within 14 days after the date of death to the executor acting as a representative taxpayer of the deceased employee, or to the employee on resignation or retirement.

- d) *Paragraph 14(5) of the Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that no Employees' Tax certificate shall be delivered by the employer to the employee until such time that an acceptable EMP501 has been rendered to SARS. The provisions of paragraph 14(5) are not applicable in the case where an employee ceased to be an employee as a result of death, retirement or resignation (paragraph 13(2)(b)).

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- e) *Paragraph 13(4) of the Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that the employer may not show amounts on any Employees' Tax certificate which have already been included in any other Employees' Tax certificate unless such other certificate has been cancelled by the employer.
- f) *Paragraph 13(7) of the Fourth Schedule to the Income Tax Act 58 of 1962* states that it shall be sufficient compliance with regards to the delivery of an Employees' Tax certificate to any employee or former employee, if such certificate is sent to the employee, former employee, the employee's authorised agent or the representative taxpayer by a registered post, where delivery cannot conveniently be effected by personal delivery.
- g) *Paragraph 13(15) of the Fourth Schedule to the Income Tax Act 58 of 1962* states that any Employees' Tax certificate on which appears the name or any trade name of any employer shall until the contrary is proved be deemed to have been issued by such employer if such certificate is in a form prescribed by the Commissioner.

### **3 EMPLOYEES' TAX CERTIFICATES [IRP5/IT3(A)]**

#### **3.1 FORMATS OF EMPLOYEES' TAX CERTIFICATES**

- a) The different formats for Employees' Tax certificates prescribed by the Commissioner are:
  - i) 2018 ADOBE format;
  - ii) 2019 ADOBE format;
  - iii) 2020 HTML5 format;
  - iv) 2021 HTML5 format;
  - v) 2022 HTML5 format;
  - vi) 2023 HTML5 format;
  - vii) 2024 HTML5 format;
  - viii) 2025 HTML5 format.
- b) Each of the formats has different fields and each field has its own applicable validation rules which must be adhered to when completing the Employees' Tax certificate.

#### **3.2 ISSUING OF EMPLOYEES' TAX CERTIFICATES**

- a) The Employees' Tax certificate may only be issued to an employee, in respect of the half-year reconciliation where:
  - i) The employer has ceased to be an employer in relation to the employee concerned (e.g., death, retirement, or resignation of the employee).
  - ii) The employer has ceased to be an employer (e.g., employer stops trading).
- b) The financial information (e.g., remuneration, deductions, etc.) of the relevant employee must be reflected on the certificate and must be for the transaction period 1 March to 31 August (6 months).
- c) Employees' tax paid must be reflected under code 4102 (PAYE).

#### **3.3 RULES APPLICABLE FOR ISSUING IRP5/IT3(a)**

- a) All employees' tax certificates submitted to SARS after 29 February 2024 should be completed or created and submitted in the 2025 format:
  - i) Manually completed Employees' Tax certificates should be completed on the correct HTML5 format.

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- ii) A CSV file (which contains the Employees' Tax certificates) should be created according to the rules prescribed under the heading "Validation rules/codes applicable for submissions after 28 February 2010".
  - iii) ZipCentralFile should be created by e@syFile™ Employer which contains the relevant Business Requirements Specification (BRS) PAYE reconciliation rules which is available on the SARS website [www.sars.gov.za](http://www.sars.gov.za)
  - iv) Only manual Employees' Tax certificates relating to an employer reconciliation declaration (EMP501) submitted to SARS before 1 March 2008 should be completed on the 1999 manual format.
  - v) All standards and validation rules prescribed in the Guide for Employers in respect of Employees' Tax for the 2025 year of assessment must be adhered to.
- b) The general rules are:
- i) All fields are mandatory;
  - ii) Pre-printed blank EMP501s will no longer be accepted;
  - iii) The pre-printed blank EMP501s will be accepted for periods prior to 31 May 2011;
  - iv) All manual Employees' Tax certificates must be completed in a black ink;
  - v) All electronic Employees' Tax certificates may only be printed in a black ink;
  - vi) Tippex (correction fluid) may not be used on any reconciliation document;
  - vii) Corrections may not be made to any financial information completed on a reconciliation document. This should be done by cancelling the incorrect certificate and completing a new certificate;
  - viii) All income and deductions should be reflected in the appropriate space on the certificate;
  - ix) Under no circumstances may a blank certificate be issued to an employee;
  - x) A separate certificate may not be issued to an employee in respect of remuneration reflected on another certificate;
  - xi) All fields completed must comply with the validation rules applicable to the specific field;
  - xii) Employees' Tax certificate must at least have one income code with a value greater than zero. Where the remuneration for the director of a private company or a member of a close corporation cannot be determined at the end of the tax year, code 3620 and 3621 with a value greater than zero must be reported on the tax certificate;
  - xiii) A warning message will be displayed if all the digits of the financial field on the Employees' Tax certificate is the same e.g. 33333.00;
  - xiv) The employer shall be informed where an IT3(a) certificate is submitted with an Income Tax reference number and PAYE should have been deducted;
  - xv) For employees whose services were terminated before the closing of the interim period e.g. resigned, retrenched, retired, died, immigrated or employer ceased to be an employer, the month of the reconciliation period in the tax certificate number (code 3010) must be specified as "02" to indicate that this is a final certificate for the tax year and not an interim certificate. If the certificate is cancelled and replaced with a new certificate, the certificate number of the cancelled / replaced certificate MAY not be reused or allocated to the same employee or another employee in the same year.
  - xvi) It is optional to consolidate foreign employment income onto one tax certificate. Therefore, only one certificate may be issued to an employee if the employee's remuneration consists of local and foreign remuneration for the period employed by the same employer during a transaction year. All additional mandatory information must be completed.
  - xvii) All income and deductions must be classified according to the different codes allocated for income and deductions. Note that certain source codes have been specified as "sub-codes" and their values must be consolidated into a main source code on the certificate;
  - xviii) All codes used on a certificate must be in numeric sequence with the exception of the gross totals;
  - xix) Each field completed must comply with the validation rules applicable to that field;
  - xx) A unique certificate number must be allocated according to the prescribed rules to each certificate issued by the employer for the specific transaction year;

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- xxi) Where an employer does not employ an employee on a permanent basis but employs an employee frequently for shorter periods during a year of assessment, the employer may issue only one IRP5/IT3(a) certificate for that year of assessment or issue multiple certificates
  - A) The first date from and the last date of the tax period in the relevant Year of Assessment declared on this certificate should be specified under the 'Certificate Tax Period Start Date' (field 3170) and 'Certificate Tax Period End Date' 'Although the employee is not employed on a full time basis, the values to be specified under – 'Pay periods in year of assessment' (field 3200) should be correctly specified in terms of the date the "Certificate Tax Period Start Date (field 3170) and 'Certificate Tax Period End Date' (field 3180), and 'No. of Periods Worked' (field 3210) should contain the number of pay periods for which the employee was paid during the relevant year of assessment;
  - B) All other requirements applicable to IRP5/IT3(a) certificates must be complied with.
- xxii) The total income codes may not exceed 20 and the total deduction codes may not exceed 12. In cases where this total is exceeded, the following rules must be applied:
  - A) If the same code is repeated on the certificate, combine the values and reflect the total value under the relevant code;
  - B) Ignore codes 4003 if there are still more than 12 codes present.
- xxiii) The certificate number must comply with the following:
  - A) Must be unique for each employee;
  - B) May not be used more than once by the employer. The number may be used twice only if the employer replaces a certificate submitted to the employee already;
  - C) May not be duplicated in either the current or in the previous transaction years.
- xxiv) The year of assessment to which the income on the certificate relates must be completed.
- xxv) All numeric fields must be completed from right to left.
- xxvi) The following codes may only appear once on a certificate:
  - A) All the employer information code;
  - B) All the employee information codes, excluding code 3230;
  - C) All Tax Certificate Information codes representing financial information, excluding:
    - I. Income Received Codes: 3601 to 3926 and 3651 to 3957,
    - II. Deduction/Contribution codes: 4001 to 4587, and
    - III. Employment Tax Incentive Information codes: 7002 to 7005, 7007 to 7009.

### 3.4 SUBMISSION OF A RECONCILIATION DECLARATION

- a) Paragraph 14(3) of the *Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that:
  - i) The employer is obliged to render a reconciliation declaration as prescribed to the Commissioner:
    - A) By such date/dates as prescribed by the Commissioner by notice in the Government Gazette;
    - B) Within 14 days after the date on which the employer has ceased to carry on any business or other undertaking or to be an employer, if:
      - I. The employer ceases to carry on any business or other undertaking in respect of which the employer has paid or becomes liable to pay remuneration to any other employee;
      - II. Otherwise ceased to be an employer
  - ii) The submission period relating to the interim reconciliation process will also be published in the Government Gazette.
    - A) The legal requirements would apply if the employer ceased to be an employer or the employee dies, retires, resigns or immigrates before the closing of the interim period (e.g. 31 August).
    - B) A final tax calculation at the end of the Employee's Tax period must be done and the certificate must be issued as a final tax certificate with a month of the reconciliation period indication of "02" in the certificate number.
- b) Paragraph 14(5) of the *Fourth Schedule to the Income Tax Act 58 of 1962* prescribes that no Employees' Tax certificate shall be delivered by the employer to the employee until such time that an acceptable reconciliation declaration has been rendered to SARS.

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- i) *Paragraph 13(2)(a) of the Fourth Schedule* prescribes that Employees' Tax certificate must be delivered by the employer who has not ceased to be employer in relation to the employee concerned, within 60 days after the end of the period to which the certificate relates. This rule only relates to certificates which must be delivered in terms of paragraph 13(2)(a) of the *Fourth Schedule* within 60 days after the end of the year of assessment.
  - ii) *Paragraph 13(2)(c) of the Fourth Schedule* prescribes that Employees' Tax certificate must be delivered by the employer who ceased to be an employer, within 14 days of the date on which the employer has so ceased. This rule relates to the delivery of the Employees' Tax certificate within 14 days after the employer has ceased to be an employer, in terms of paragraph 13(2)(c) of the *Fourth Schedule*.
  - iii) Chapter 15 of the Tax Administration Act, 2011 (the TA Act) imposes penalty for the non-rendition of the EMP501 by the employer.
  - iv) The Commissioner may remit the penalty or a portion thereof if he/she is satisfied that the circumstances warrant it.
- c) *Paragraph 14(7) of the Fourth Schedule* provides that, if the total amount of employees' tax deducted or withheld, or which should have been deducted or withheld for the period described in subparagraph (3), is unknown, the Commissioner may estimate the total amount based on information readily available and impose the penalty under subparagraph (6) on the amount so estimated
- d) *Paragraph 14(8) of the Fourth Schedule* provides that where upon determining the actual employees' tax of the person in respect of whom the penalty was imposed under subparagraph (7), it appears that the total amount of employees' tax was incorrectly estimated under subparagraph (7), the penalty must be adjusted in accordance with the correct amount of employees' tax with effect from the date of the imposition of the penalty under subparagraph (6) read with subparagraph (7).

**Note 1:** Employers must submit the EMP501 Reconciliation for a specific period through one channel only, i.e. if employers elect to submit the EMP501 Reconciliation through e@syFile for period e.g. 202208, the employer cannot revise the submission through eFiling, or vice versa.

**Note 2:** If a final reconciliation for a tax year has been submitted and processed, SARS will not accept an interim reconciliation regardless of the channel used. SARS cannot process an interim reconciliation once a final reconciliation has been submitted and processed, for the same tax year. The following error message will be displayed on eFiling: "The interim EMP501 reconciliation cannot be submitted as the final EMP501 reconciliation has already been submitted for the transaction year".

## **4 LAYOUT ON EMPLOYEES' TAX CERTIFICATES (IRP5/IT3(A))**

### **4.1 LAYOUT FOR 2025 HTML5 FORMAT**

- a) The 2025 HTML5 format is divided into the following main sections, namely:
  - i) Header;
  - ii) Employee Information;
  - iii) Employer Information;
  - iv) Tax Certificate Information.
- b) Each of the main sections (except for the header) consists of sub-sections (e.g. address details, directive information, income received, deductions, tax withheld, ETI financials etc.).

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- c) Determine if the employee is an individual or other entity.
  - i) If individual:
    - A) Determine if an ID number or passport number is available:
      - I. If available, complete the relevant nature of person as well as all mandatory fields relating to the completed nature of person;
      - II. If not available, complete the nature of person as well as all mandatory fields relating to the nature of person
      - III. If entity other than individual:
  - ii) Determine the nature of person applicable to the entity:
    - A) Complete the determined nature of person as well as all mandatory fields relating to the completed nature of person
- d) Determine if any other information relating to the optional fields can be completed and complete accordingly.
- e) Complete the codes and values for income and deductions in the Tax Certificate information section as well as all gross totals.
- f) Complete the values for the Employees' Tax deducted or the reason code for the non-deduction of Employees' Tax in the Tax Certificate information section.
- g) Complete ETI and Directive information and amounts in the relevant sections, if any.
- h) Check all information completed on the certificate and verify if it complies with the relevant validation rules applicable to the specific field.
- i) Ensure that the employee's Income Tax reference number is correct. SARS will compare the information related to the Income Tax reference number, submitted against the information available on SARS records. If the information does not match, the certificate will fail the validations.

## **5 SUBMISSION OF RECONCILIATION DOCUMENTS TO SARS**

### **5.1 EMPLOYERS ELECTRONICALLY SUBMITTING RECONCILIATIONS**

- a) The ZipCentralFile which contains the data of all reconciliation documents, and which is created by the e@syFile™ Employer must be submitted to SARS via eFiling.
- b) Upon the submission of the EMP501 via e@syFile application, the application will first determine if there are audit results on any period relating to the reconciliation. If there are no results in one or more of the periods, the employer will be allowed to continue with the submission of the EMP501.
- c) Where there are audit results found on any periods relating to the submission of the EMP501, the employer will be advised to rectify the affected periods before the submission.
- d) Follow the steps below when using e@syFile™ Employer:
  - i) Import the payroll system electronic data (CSV file and only in instances where there is an electronic CSV file);
  - ii) Capture all manual IRP5/IT3(a) certificate information;
  - iii) Capture the liability and payment information on the EMP501, if not populated;
  - iv) Generate the encrypted file containing the IRP5/IT3(a) certificate information processed and the relevant reconciliation declarations (ZipCentralFile);
  - v) Submit the ZipCentralFile to SARS via eFiling.

**Note 1:** The employer's demographic information will be pre-populated on the EMP501 return once the employer imports the file.



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- e) e@syFile™ Employer automatically generates ADOBE PDF versions of all the tax certificates which need to be issued (either printed or electronically) to the relevant employees of the employer.

**Note 2:** Manual tax certificates will not be accepted by SARS for employers who use e@syFile™ Employer.

- f) SARS has upgraded the e@syFile™ Employer application. The new version, e@syFileTC, offers improved performance and includes the following features:
- i) Easier navigation and data capture experience has been prioritised with a new look-and-feel and arrangement functions and workflows.
  - ii) Full installations with every software update.
  - iii) Quick links to related functionality has been introduced to remove the need to continuously navigate through multiple menu items
  - iv) Enhanced user maintenance functionality to add and remove users and restrict functionality
- g) Employers are advised to update the old Flex version of e@syFile™ while still installing the new TC version, rather than uninstalling the Flex version. Both the Flex and TC (new) versions can operate on the same PC. For the bi-annual submission, either the old Flex version or the new TC version of e@syFile™ Employer can be used to submit the reconciliation. However, for the annual filing season, only submissions via the new TC version of e@syFile™ Employer will be accepted.
- h) The following rules are specific to the creation of CSV files:
- i) A comma-delimited file layout, combined with the prescribed code structure must be used.
  - ii) The CSV file must be created in:
    - A) EBCDIC format for mainframe systems
    - B) ASCII format for non-mainframe systems.
  - iii) All CSV files submitted to SARS after 29 February 2024 should be according to the prescribed validation rules and source codes applicable for submissions after 29 February 2024.

**Note 3:** If a CSV file should be amended (e.g. due to replacement of certificate, etc.) in respect of a reconciliation declaration for the previous tax years submitted to SARS, such CSV file should be created according to the rules prescribed for 2025. Employer must upload this file on e@syFile™ Employer or eFiling and perform all prescribed functions to submit the relevant reconciliation data to SARS.

- i) A printed or electronic copy of the electronic Employees' Tax certificate may only be delivered to the employee when the acceptable reconciliation documents have been rendered to SARS.

- j) Follow the steps below when using eFiling channel:
- i) Some fields will be pre-populated and auto calculated.
  - ii) Indicate if the reconciliation includes ETI or not. If 'Yes', the Employment Tax Incentive sections will be added to the form.
  - iii) All monthly liabilities will pre-populate on EMP501 using information obtained from EMP201 submissions made to SARS. This includes all financials for PAYE, SDL and UIF.
  - iv) Verify the amounts on EMP501 with the payments made and the amounts on EMP201.
  - v) Do corrections to liability or payment amounts on the EMP501.
  - vi) It is important to note that on eFiling employers can only file a reconciliation that contains maximum of 50 IRP5/IT3(a) (tax certificates). For more details, please refer to EMP-GEN-02-G01 – A Step by Step Guide to the Employer Reconciliation Process – External Guide..
- k) Electronic reconciliation documents must be retained in electronic form for record purposes by the employer.
- l) On request for a duplicate Employees' Tax certificate by an employee or former employee, a print of the electronic record retained by the employer, can be issued as a duplicate.
- m) Faxed or emailed documents in structured ADOBE formats will not be accepted. Use EMP701 with the EMP601 with 8-digit certificate numbers to adjust reconciliation submission for 1999 – 2008 transaction years. The EMP701 is not applicable for transactions years 2009 onwards however a revised EMP501 must be submitted.

## 6 DEFINITIONS, ACRONYMS AND ABBREVIATIONS

- a) The definitions, acronyms and abbreviations can be accessed via the following link: [Glossary A-M | South African Revenue Service \(sars.gov.za\)](#)

### DISCLAIMER

The information contained in this guide is intended as guidance only and is not considered to be a legal reference, nor is it a binding ruling. The information does not take the place of legislation and readers who are in doubt regarding any aspect of the information displayed in the guide should refer to the relevant legislation, or seek a formal opinion from a suitably qualified individual.

#### For more information about the contents of this publication you may:

- Visit the SARS website at [www.sars.gov.za](http://www.sars.gov.za)
- Visit your nearest SARS branch
- Contact your own tax advisor/tax practitioner
- If calling from within South Africa, contact the SARS Contact Centre on 0800 00 SARS (7277)
- If calling from outside South Africa, contact the SARS Contact Centre on +27 11 602 2093 (only between 8am and 4pm South African time).