

EXTERNAL GUIDE

GUIDE FOR EMPLOYERS IN RESPECT OF TAX DEDUCTION TABLES (2023 TAX YEAR)

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TABLE OF CONTENTS

1	PURPOSE	4
2	SCOPE	4
3	PRESCRIBED TAX RATES	4
4	STATUTORY RATES OF TAX	5
5	DIFFERENT VERSIONS OF TAX DEDUCTION PROGRAMS	6
6	EXPLANATION ON HOW TO USE THE TAX DEDUCTION TABLES	6
7	REFERENCES	7
7.1	LEGISLATION	7
7.2	CROSS REFERENCES	7
8	DEFINITIONS AND ACRONYMS	8

1 PURPOSE

- This guide in its design, development, implementation and review phases is guided and underpinned by the SARS Strategic Plan 2020/21 – 2024/25 and the applicable legislation. Should any aspect of this guide conflict with the applicable legislation the applicable legislation will take precedence.
- The purpose of this document is to assist employers in determining the amount of employees' tax to be deducted from remuneration paid/payable according to the prescribed tax deduction tables.

2 SCOPE

- This basic guide is issued by the South African Revenue Service (SARS) to employers to assist them in calculating the amount of employees' tax deductible from the remuneration including variable remuneration paid/payable to employees. It further explains the different methods that employers are allowed to apply in this calculation process.

3 PRESCRIBED TAX RATES

Reference to the Act Paragraphs 9(1), (2), 10 and 11 of the Fourth Schedule
Sections 5 and 6 of the IT Act
Section 27(1) of the Public Finance Management Act.

Meaning The new tax rates chargeable shall be announced by the Minister of Finance in his / her National Annual Budget as contemplated in the Public Finance Act with effect from a date or dates mentioned in the announcement.

Any changes with regard to the rates shall come into effect on the date or dates determined by the Minister of Finance in that announcement and continues to apply for a period of 12 months from that date.

When to use the tables In the absence of a tax directive to the contrary as prescribed in Paragraphs 10 and 11 of the Fourth Schedule, employers must make use of the deduction tables prescribed by the Commissioner or use the statutory rates as an alternative.

Implementation of new rates of tax The new tax rates must be implemented by employers as soon as possible as contained in the Government Gazette by no later than 1 April of a tax year and employees' tax must be calculated according to these new rates.

Any **over deduction** of employees' tax arising as a result of the implementation of new rates not in the employer's possession on 1 March of each new tax year, may be refunded to the employee as soon as new rates (tables) are implemented.

Any **under deduction** of employees' tax arising as a result of the implementation of new rates not in the employer's possession on 1 March of the new tax year, may be adjusted over the remainder of the new tax year (from the date of implementation until 28 February).

Employee leaves employment before introduction of new tables If an employee leaves your employment after 1 March of the new tax year but before the implementation of the new rates, the employees' tax deductions made in accordance with the previous rates are regarded as final.

Rebates for individuals which are prescribed in section 6 of the Income Tax Act are deducted from the normal tax determined according to the statutory rates of tax.

4 STATUTORY RATES OF TAX

Tax Tables for Individuals and Trusts

2022/2023 Tax Year (1 March 2022 to 28 February 2023)

TAXABLE INCOME (R)	RATES OF TAX (R)
0 – R 226 000	18% of taxable income
R 226 001 – R 353 100	R 40 680 + 26% of taxable income above R 226 000
R 353 101 – R 488 700	R 73 726 + 31% of taxable income above R 353 100
R 488 701 – R 641 400	R115 762 + 36% of taxable income above R 488 700
R 641 401 – R 817 600	R170 734 + 39% of taxable income above R 641 400
R 817 601 – R 1 731 600	R239 452 + 41% of taxable income above R 817 600
R 1 731 601 and above	R614 192 + 45% of taxable income above R 1 731 600

Tax rebates applicable to individuals	2023
Primary rebate	R16 425
Secondary rebate (for persons 65 years and older)	R 9 000
Tertiary rebate (for persons 75 years and older)	R 2 997

Tax thresholds applicable to individuals	2023
Persons under 65 years	R 91 250
Persons 65 years and older	R141 250
Persons 75 years and older	R157 900

The rebates for individuals must be deducted from normal tax determined according to statutory rates of tax.

- The primary rebate is deductible for all individuals.
- The secondary rebate may only be applied for individuals who will be 65 years or older on the last day of the relevant year of assessment.
- The tertiary rebate is deductible only for individuals who will be 75 years or older on the last day of the relevant year of assessment.
- With effect from 1 March 2014, the Medical Scheme Fees Tax Credit for individuals is a rebate which applies in respect of contributions paid by the taxpayer during the year of assessment to a registered medical scheme. The amount of the rebate (tax credit) is based on the following values per month in the year of assessment in respect of which the contributions were paid in respect of the taxpayer himself/herself, his/her spouse and any dependant of the taxpayer.

Medical scheme fees tax credit	2023
For the taxpayer	R347
For the first dependent	R347
For each additional dependent	R234

5 DIFFERENT VERSIONS OF TAX DEDUCTION PROGRAMS

Differences between tables and tax programs

Small differences may occur between the manual tables, and other computer programs based on the statutory rates of tax. These methods are acceptable in terms of the Income Tax Act provided that the results are within the provisions of this Act.

Other computer programs

Employers may use computer programs that render the same results, as the results that the employers receive when using the statutory rates of tax. Where an employer use a computerised payroll or his/her/its own created payroll program, the instructions and guidelines as prescribed by SARS must still be followed.

6 EXPLANATION ON HOW TO USE THE TAX DEDUCTION TABLES

Weekly tables

A weekly remunerated employee under the age of 65 receives a weekly wage of R3 600 and contributes R160 to a pension fund as well as R180 to a registered medical scheme in respect of himself/herself and one dependant.

Weekly wage	R3 600
Less: allowable pension fund contributions	R 160
Balance of remuneration	R3 440
Employees' tax on balance of remuneration according to the weekly tax tables	R 303
Less: Medical Scheme Fees Tax Credit (R347+R347 p/m ÷ 4 weeks)	R 174
Amount of Tax to be deducted	R 129

Fortnightly tables

A fortnightly remunerated employee under the age of 65 receives a fortnight wage of R8 980 and contributes R320 to a pension fund and R150 to a retirement annuity fund as well as R350 to a registered medical scheme in respect of himself/herself and one dependant.

Fortnight wage	R8 980
Less: allowable pension fund contributions	R 320
Less: allowable retirement annuity fund contributions	R 150
Balance of remuneration	R8 510
Employees' tax on balance of remuneration according to the fortnightly tax tables	R 897
Less: Medical Scheme Fees Tax Credit (R347+R347 p/m ÷ 2 weeks)	R 347
Amount of Tax to be deducted	R 550

Monthly tables

A monthly remunerated employee under the age of 65 receives a salary of R18 600 and contributes R775 per month to a pension fund and R325 per month to a retirement annuity fund as well as R800 to a registered medical scheme in respect of himself/herself and one dependant.

Monthly salary	R 18 600
Less: allowable pension fund contributions	R 775
Less: allowable retirement annuity fund contributions	R 325
Balance of remuneration	R 17 500
Employees' Tax on balance of remuneration according to the monthly tax tables	R 1 781
Less: Medical Scheme Fees Tax Credit (R347+347 p/m)	R 694
Amount of Tax to be deducted	R 1 087

Annual tables

An employee under the age of 65 received a salary (retirement funding income) of R15 500 per month and contributes R300 per month to a pension fund as well as R800 per month to a registered medical scheme in respect of himself/herself and one dependant.

Annual salary (R15 500 x 12)	R 186 000
Less: allowable pension fund contributions	R 3 600
Balance of remuneration	R 182 400
Employees' tax on balance of remuneration according to the annual tax tables	R 16 379
Less: Medical Scheme Fees Tax Credit (R347+347 p/m x 12)	R 8 328
Amount of Tax to be deducted	R 8 051

7 REFERENCES

7.1 LEGISLATION

Legislation and Rules administered by SARS:	Sections 5 and 6, Paragraphs 9(1), (2) and 10 of the Fourth Schedule to the Income Tax Act No.58 of 1962 Section 27 of the Public Finance Management Act No. 1 of 1999 Tax Administration Act No. 28 of 2011 The Employment Tax Incentive Act No. 26 of 2013
Other Legislation:	None

7.2 CROSS REFERENCES

DOCUMENT #	DOCUMENT TITLE
PAYE-GEN-01-G01-A01	Weekly tax deduction tables
PAYE-GEN-01-G01-A02	Fortnightly tax deduction tables
PAYE-GEN-01-G01-A03	Monthly tax deduction tables
PAYE-GEN-01-G01-A04	Annual tax deduction tables
PAYE-GEN-01-G02	Guide for Employers in respect of Fringe Benefits
PAYE-GEN-01-G03	Guide for Employers in respect of Allowances
PAYE-GEN-01-G03-A01	Rate per Kilometre Schedule
PAYE-GEN-01-G03-A02	Subsistence Allowance in respect of Foreign Travel
PAYE-GEN-01-G17	Guide for employer in respect of Employees' Tax for 2023
PAYE-GEN-01-G05	Guide for Employers in respect of Employment Tax Incentive
SDL-GEN-01-G01	Guide for Employers in respect of SDL
UIF-GEN-01-G01	Guide for Employers in respect of UIF

8 DEFINITIONS AND ACRONYMS

Alternate period	A period, whether of 12 months or not, commencing on the day following the last day of the preceding alternate period in relation to the employer and ending on a date falling not more than 14 days before or after the last day of February, or such greater number of days as the Commissioner, having regard to the circumstances of the case, may allow.
Annual equivalent	An amount equal to the sum of net remuneration multiplied by the ratio which a full year bears to the period in respect of which such net remuneration is payable.
Annual payment	An amount of net remuneration that is, in accordance with the employee's conditions of service or the employer's practice, paid in a lump sum to the employee or it is an amount that is calculated without reference to a period.
Associated person (in relation to an employer) for ETI purposes only	Where the employer is a company, it means that any other company which is associated with that employer by reason of the fact that both companies are managed or controlled directly or indirectly by substantially the same persons; or Where the employer is not a company, it means that any company which is managed or controlled directly or indirectly by the employer or by any partnership of which the employer is a member;
Balance of remuneration	Any amount of remuneration after deducting the allowable deductions for Employees' Tax purposes.
Broad-based employee share plan	A plan in terms of which: <ul style="list-style-type: none"> • Equity shares in that employer, or in a company that is an associated institution in relation to the employer, are acquired by employees from that employer, for consideration which does not exceed the minimum consideration required by the Companies Act, 1973; • Employees who participate in any other equity scheme of the employer or of a company that is an associated institution in relation to the employer, are not entitled to participate and where at least 80% of all other employees who are employed by the employer on a permanent basis on the date of grant are entitled to participate; • The employees who acquire the equity shares are entitled to all dividends and full voting rights in relation to those equity shares; and • No restriction have been imposed in respect of the disposal of the equity shares, other than a: <ul style="list-style-type: none"> ▫ Restriction imposed by legislation; ▫ Right of any person to acquire those equity shares from the employee or former employee who acquired the equity share: <ul style="list-style-type: none"> ○ in the case where the employee or former employee is or was guilty of misconduct or poor performance, at the lower of market value on the date of the grant or acquisition by that employer; or ○ in any other case, at market value on the date of acquisition by that person.; or ▫ Restriction in terms of which the person who acquired the equity shares may not dispose of the equity shares for a period which may not extend beyond five years from the date of grant.
Commissioner	The Commissioner for the South African Revenue Service.
Employee	An employee for Employees' tax purposes is defined as a: <ul style="list-style-type: none"> • Natural person who receives remuneration or to whom remuneration accrues; • Person (including a company) who receives remuneration or to whom remuneration accrues by reason of services rendered by such person to or on behalf of a labour broker; • Labour broker; • Person or class or category of persons whom the Minister of Finance by notice in the Government Gazette declares to be an employee; • Personal service provider; • Director of a private company.

	<p>An employee for UIF purposes is defined as any natural person who receives any remuneration or to whom remuneration accrues in respect of services rendered or to be rendered by that person but excluding an independent contractor.</p> <p>An employee for SDL purposes is defined as an employee for Employees' Tax purposes.</p> <p>An employee for taxable benefit purposes is defined as any person who receives remuneration or to whom remuneration accrues and includes any director of a company but excludes persons who retired before 1 March 1992 except for purposes of the provisions which deal with the payment of an employee's debt or the release of an employee from an obligation to pay a debt.</p>
Employees' tax	An amount of tax that an employer must deduct from all regular or periodic payments (remuneration), paid or which becomes payable to an employee.
Employer	Any person who pays or is liable to pay a person an amount by way of remuneration including a person responsible for the payment of an amount by way of remuneration to a person under the provisions of a law or out of public funds or out of funds voted by parliament or Provincial Council. This definition excludes any person not acting as a principal but includes any person acting in a fiduciary capacity or in his/her capacity as a trustee in an insolvent estate, an executor or an administrator of a benefit fund, pension fund, pension preservation fund, provident fund, provident preservation fund, retirement annuity fund or any other fund.
Equity instrument	Means a share or a member's interest in a company, including: <ul style="list-style-type: none"> • An option to acquire such a share, part of a share or member's interest; • Any financial instrument that is convertible to a share or member's interest; and • Any contractual right or obligation the value of which is determined directly or indirectly with reference to a share or member's interest.
ETI Act	Employment Tax Incentive Act No. 26 of 2013
Fourth Schedule	The Fourth Schedule to the Income Tax Act No 58 of 1962.
Gain	A gain for purposes of a broad based employee share plan and qualifying equity instruments means the amount by which any amount received by or accrued to the employee from the disposal exceeds the consideration given by the employee for the qualifying equity share, right or interest.
Holder of a public office	<p>The President, Deputy President, a Minister, a Deputy Minister, a member of the National Assembly, a permanent delegate to the National Council of Provinces, a Premier, a member of an Executive Councillor, a member of a provincial legislature</p> <p>Any member of a municipal council, a traditional leader, a member of a provincial House of Traditional Leaders or a member of the Council of Traditional Leaders; and</p> <p>A person occupying the office of president, chairman or chief executive officer of any non-profit organisation, shown to the satisfaction of the Commissioner to be organised on a national or regional basis to represent persons with a common interest and the funds of which are derived wholly or mainly from subscriptions from members or donations from the general public.</p>
Labour broker	Any natural person who conducts or carries on any business whereby such person for reward provides a client of such business with other persons (or procures other persons) to render a service or to perform work for the client, for which services or work of such other persons are remunerated by such person.
Lump sum benefit Section 1	Means a retirement fund lump sum benefit or retirement fund lump sum withdrawal benefit.

Market value	<p>In relation to an equity instrument of:</p> <ul style="list-style-type: none"> • A private company or a company that would be regarded as a private company if it were incorporated under the Companies Act of 1973, means an amount determined as its value in terms of a method of valuation: <ul style="list-style-type: none"> ▫ Prescribed in the rules relating to the acquisition and disposal of that equity instrument; ▫ Which is regarded as a proxy for the market value of that equity instrument for the purposes of those rules; and ▫ Used consistently to determine both the consideration for the acquisition of that equity instrument and the price of the equity instrument repurchased from the employee after it has vested in that employee; or • Any other company, means the price which could be obtained upon the sale of that equity instrument between a willing buyer and a willing seller dealing freely at arm's length in an open market and, in the cases of a restricted equity instrument, had the restriction to which that equity instrument is subject not existed. <p>In relation to equity share means the price which could be obtained upon the sale of that equity share between a willing buyer and a willing seller dealing freely at arm's length in an open market and without having regard to any restrictions imposed in respect of that equity share.</p>
Marketable security	Any security, stock, debenture, share, option or other interest capable of being sold in a share-market or exchange or otherwise
Month	In relation to an employer for taxable benefit purposes means any twelve portions into which any calendar year is divided.
Net remuneration	<p>The balance of remuneration, excluding the following:</p> <ul style="list-style-type: none"> • Special remuneration paid/payable to any mine worker as contemplated in section 5(9); • Remuneration received by an employee who incurred deductible expenses in the production of income (the quantum of expenses can only be determine on assessment); • Remuneration which is under the provisions of Section 7(2) deemed to be income that accrued to the spouse of the employee; • Remuneration not derived: <ul style="list-style-type: none"> ▫ From standard employment; or ▫ By way of an annuity provided or payable by a pension fund, pension preservation fund, provident fund, provident preservation fund or benefit fund; • Remuneration paid or payable to a director of a company or member of a close corporation; • Travel allowance which is subject to Employees' Tax (80% portion); • An allowance granted to the holder of any public office, which is subject to Employees' Tax (50% portion); • Remuneration derived by an employee in respect of which such employee is entitled to set off an assessed loss under Section 20(1); and • Any retirement fund lump sum benefit or retirement fund lump sum withdrawal benefit.
PAYE	Pay-As-You-Earn (employees' tax)
Prescribed rate	In relation to any interest payable, means such rate as the Minister may from time to time fix by notice in the Gazette in terms of section 80(1)(b) of the Public Finance Management Act, 1999 (no. 1 of 1999): Provided that where the Minister fixes a new rate in terms of that Act, that new rate will apply from the first day of the second month following the date on which that new rate came into operation.
Public Finance Management Act	Public Finance Management Act No.1 of 1999

Qualifying employee for ETI purposes only	An employee as contemplated in section 6 of the ETI Act
Qualifying equity share	An equity share acquired in a tax year in terms of a broad-based employee share plan, where the market value of all equity shares, which were acquired by that employee in terms of that plan in that year and the two immediately preceding tax years does not in aggregate exceed R50 000.
Remuneration for Employees' tax purposes	<p>Remuneration for Employees' Tax purposes is defined as any amount of income which is paid or is payable to any person by way of any salary, leave pay, wage, overtime pay, bonus, gratuity, commission, fee, emolument, pension, superannuation allowance, retiring allowance or stipend, whether in cash or otherwise and whether or not in respect of services rendered, including:</p> <ul style="list-style-type: none"> • Restraint of trade payments; • An amount, including a voluntary award, received or accrued in commutation of amounts due in terms of a contract of employment or service; • An amount received or accrued in respect of the relinquishment, termination, loss, repudiation, cancellation or variation of an office or employment or of an appointment; • An allowance or advance paid to an employee in respect of accommodation, meals or other incidental costs while the employee is by reason of the duties of his/her office obliged to spend at least one night away from his/her usual place of residence in the Republic is deemed to become payable to the employee in the following month in respect of services rendered. This deeming provision applies where such an allowance or advance was paid to an employee during any month in respect of a night away from his/her usual place of residence and that employee has not by the last day of the following month either spent the night away from his/her usual place of residence or refunded that allowance or advance to the employer; • 50 percent of the amount of any allowance referred to in section 8(1)(d) granted to the holder of a public office contemplated in section 8(1)(e), 80 percent of the amount of any allowance or advance in respect of transport expenses referred to in section 8(1)(b), other than any such allowance or advance contemplated in section 8(1)(b)(iii) which is based on the actual distance travelled by the recipient provided that where the employer is satisfied that at least 80 percent of the use of the motor vehicle for a year of assessment will be for business purposes, then only 20 percent of the amount of such allowance or advance must be included; • 80 percent of the amount of the taxable benefit as determined in terms of paragraph 7 of the Seventh Schedule, provided that where the employer is satisfied that at least 80 percent of the use of the motor vehicle for a year of assessment will be for business purposes, then only 20 percent of such amount must be included; • Any gain determined in terms of section 8B, which must be included in that person's income under that section; • Any amount determined in terms of section 8C which is required to be included in the income of that person; • Any amount deemed to be income accrued to that person in terms of section 7(11). • Fringe benefits received in terms of the Seventh Schedule to the IT Act; • A gratuity received by or accrued to a person from his/her employer because such person obtained a university degree or diploma or has been successful in an examination; • Any amount deemed to be income accrued to that person by way of a dividend contemplated in paragraphs (dd), (ii) and (jj) of the proviso to section 10(1)(k)(i);

	<p>but not including:</p> <ul style="list-style-type: none"> • Amounts paid to common law independent contractors, but excluding amounts paid to common law independent contractors who do not employ three or more qualifying employees and are required to render services mainly at the premises of the client and are subject to the control or supervision of any person as to the manner in which their duties are performed or as to the hours of work. <p>This exclusion does not apply to any:</p> <ul style="list-style-type: none"> • Person who receives any remuneration or to whom any remuneration accrues by reason of any services rendered by such person to or on behalf of a labour broker; • Labour broker; • Personal service provider; or • Person who is not ordinarily resident in South Africa. <ul style="list-style-type: none"> ▫ Any pension or additional pension under the Social Assistance Act. ▫ Any disability grant or additional or supplementary allowance under the Social Assistance Act. ▫ Any grant or contribution under the provisions of Section 89 of the Children's Act. ▫ Amounts paid to an employee, wholly in reimbursement of expenditures actually incurred by such employee in the course of employment. ▫ Any annuity in terms of an order of divorce or decree of judicial separation or agreement of separation.
Remuneration proxy	<p>Remuneration proxy means –</p> <ul style="list-style-type: none"> • Remuneration as defined in para 1 of the Fourth schedule; • If the previous year's remuneration is less than the 365 days, the remuneration needs to be grossed up to 365 days; • If the employee was not employed in the previous year, the first month's remuneration needs to be grossed up to 365 days.
Representative employer	<p>Representative employer contemplated in the 4th Schedule means, in the case of:</p> <ul style="list-style-type: none"> • A company, the public officer of that company, or, in the event of such company being placed in liquidation or under judicial management, the liquidator or judicial manager, as the case may be; • Any municipality or anybody corporate or unincorporated (other than a company or a partnership), any manager, secretary, officer or other person responsible for paying remuneration on behalf of such municipality or body; • A person under legal disability, any guardian, curator, administrator or other person having the management or control of the affairs of the person under legal disability; or • Any employer who is not resident in the Republic, any agent of such employer having authority to pay remuneration. <p>The representative employer is not relieved from any liability, responsibility or duty of the employer and is therefore, subject to the same duties, responsibilities and liabilities as the employer.</p>
Restricted equity instrument	<p>An equity instrument:</p> <ul style="list-style-type: none"> • Which is subject to any restriction (other than a restriction imposed by legislation) that prevents the employee from freely disposing of that equity instrument at market value; • Which is subject to any restriction that could result in the employee forfeiting ownership or the right to acquire ownership of that equity instrument otherwise than at market value or being penalised financially in any other manner for not complying with the terms of the agreement for the acquisition of that equity instrument;

	<ul style="list-style-type: none"> • If any person has retained the right to impose a restriction contemplated in the first two instances above, on the disposal of that equity instrument; • Which is an option contemplated in the definition of equity instrument and where the equity instrument which can be acquired in terms of that option will be a restricted equity instrument; • Which is a financial instrument contemplated in the definition of equity instrument and where the equity instrument to which that financial instrument can be converted will be a restricted equity instrument; • If the employer has at the time of acquisition by the employee of the equity instrument undertaken to: <ul style="list-style-type: none"> ▫ Cancel the transaction under which that taxpayer acquired the equity instrument; or ▫ Repurchase that equity instrument from the employee at a price exceeding its market value on the date of repurchase; or • Which is not deliverable to the taxpayer until the happening of an event, whether fixed or contingent?
Retirement-funding employment	The part of remuneration as is taken into account in the determination of the contributions made by the employee or on his/her behalf to a pension fund or provident fund (where the employee is a member of or contributed to) established for the benefit of employees of his/her employer from whom such remuneration is derived.
SARS	The South African Revenue Service.
Seventh Schedule	The Seventh Schedule to the Income Tax Act No 58 of 1962.
SIC	Standard Industrial Classification
Standard employment	Any employment where an employee (including scholars and students), is required to render services to a single employer for a period of at least 22 hours in every full week provided that no regard shall be had to: <ul style="list-style-type: none"> • Periods of temporary absence of the employee due to leave or exceptional circumstances; or • Any temporary reduction in working hours imposed by the employer, for instance due to a reduction in the demand of the company's product, the employer imposes a temporary working week of less than 22 hours.
Tax period	Means, in relation to employees' tax, skills development levies as determined in section 3 of the SDL Act and contributions as determined in section 6 of UIC Act, the period in respect of which the amount of tax payable must be determined under the relevant tax Act. <ul style="list-style-type: none"> • In relation to any employer, as a period of 12 months ending on the last day of February of the relevant tax year or at the option of the employer, an alternate period, in respect of which remuneration is paid or has become due. • In relation to an employee, a tax year (1 March to 28/29 February of the next year) or any unbroken period during the tax year: <ul style="list-style-type: none"> ▫ During which the employee was employed by one employer in the Republic in standard employment; or ▫ During which any annuity was paid or became payable to him/her by one employer; or ▫ Such period as the Commissioner considers appropriate in the circumstances, where the Commissioner has in relation to the employment of any employee, issued a ruling to the employer
Taxable benefit	A voluntary or otherwise benefit contemplated in the Seventh Schedule, but excluding any: <ul style="list-style-type: none"> • Benefit, the amount or value of which is specifically exempt from normal tax in terms of Section 10; • Benefit provided by a benefit fund in respect of medical, dental and similar services, hospital services, nursing services and medicines; • Lump sum benefit payable by a benefit, pension, pension preservation fund, provident fund or provident preservation fund, as defined in the

	<p>Act;</p> <ul style="list-style-type: none"> • Benefit or privilege received by or accrued to a person contemplated in section 9(2)(g) or (h) stationed outside the Republic which is attributable to the person's services rendered outside the Republic; or • Severance benefit.
Unrestricted equity instrument	An equity instrument which is not a restricted equity instrument. The share is freely disposable upon acquisition.
Variable remuneration	As defined per section 7B of the Income Tax Act means overtime pay, bonus or commission contemplated in the definition of "remuneration" in paragraph 1 of the 4 th Schedule.
Year of assessment	The year of assessment for taxpayers covers a period of 12 months. For individuals and trusts, the commencement date of the year of assessment starts on 1 March and ends on the 28/29 February each year. For Companies and Close Corporations the year of assessment is the applicable financial year.

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
- 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).