

Guidelines for Skills Development Levies

SDL 10

TABLE OF CONTENTS

| | Page |
|--|-----------|
| INTRODUCTION | 1 |
| GENERAL | 2 |
| 1. WHAT IS SKILLS DEVELOPMENT LEVIES?..... | 2 |
| 2. WHO PAYS SKILLS DEVELOPMENT LEVIES?..... | 2 |
| 3. WHAT IS THE LEVIABLE AMOUNT? | 2 |
| 4. WHAT IS REMUNERATION? | 2 |
| 5. WHAT AMOUNTS ARE EXCLUDED IN DETERMINING THE LEVIABLE AMOUNT | 3 |
| 6. WHICH EMPLOYERS ARE EXEMPT FROM PAYING THE LEVY? | 4 |
| 7. WHAT IS THE PRESCRIBED PERCENTAGE THAT MUST BE APPLIED? | 5 |
| EMPLOYER, REPRESENTATIVE EMPLOYER’S OR LABOUR BROKER RESPONSIBILITIES | 5 |
| 8. EMPLOYER..... | 5 |
| 9. REPRESENTATIVE EMPLOYER..... | 5 |
| 10. WHO IS A LABOUR BROKER..... | 5 |
| 11. EXEMPTION CERTIFICATE (IRP 30)..... | 6 |
| 12. EMPLOYEE..... | 6 |
| REGISTRATION FOR THE PAYMENT OF SKILLS DEVELOPMENT LEVY | 7 |
| 13. REGISTRATION FOR PAYMENT OF LEVY | 7 |
| MEANING | 7 |
| 14. WHAT IS A SETA (SECTOR EDUCATION AND TRAINING AUTHORITY)..... | 7 |
| 15. HOW DOES ONE KNOW WHETHER TO REGISTER AS AN EMPLOYER WITH A SETA AS OPPOSED TO THE RECEIVER OF REVENUE..... | 7 |
| 16. WHAT MUST AN EMPLOYER DO ON NOTIFICATION THAT THE LEVY IS PAYABLE TO A SETA..... | 8 |
| 17. WHAT PROCEDURE MUST BE FOLLOWED SHOULD AN EMPLOYER FALL WITHIN THE JURISDICTION OF MORE THAN ONE SETA | 8 |
| PAYMENT OF SKILLS DEVELOPMENT LEVIES | 9 |
| 18. WHEN MUST THE LEVY BE PAID..... | 9 |
| 19. PENALTIES AND INTEREST..... | 10 |
| 20. PAYMENT TO A SETA — ADDITIONAL INFORMATION TO THE RECEIVER OF REVENUE..... | 10 |
| 21. OFFENCES | 10 |
| 22. REGISTERS | 11 |
| MISCELLANEOUS | 11 |
| 23. QUESTIONS AND ANSWERS..... | 11 |
| DETERMINATION OF LEVIABLE AMOUNT (STEPS, ACTION AND AUTHORITY) | 13 |
| APPENDIX | 14 |
| SDL101..... | 16 |
| SDL101..... | 26 |
| SDL201 | 23 |
| SETA v2..... | 28 |

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| INTRODUCTION |
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1. The Skills Development Levies Act, No. 9 of 1999 establishes a compulsory levy scheme for the purpose of funding education and training as envisaged in the Skills Development Act, No. 97 of 1998. The Act came into operation on 1 September 1999 and the levy will become payable with effect from 01 April 2000. The Commissioner for the South African Revenue Service is responsible for administering the Skill Development Levies Act in so far as it relates to the collection and the payment of the levy.
2. These guidelines have been compiled to assist you as the employer in understanding the basic fundamentals of the Skills Development Levies Act; the Act must be read in conjunction with the Fourth Schedule to the Income Tax Act, no 58 of 1962.
3. References in this guide refer either to the Income Tax Act, or the Skills Development Levies Act, as accordingly denoted.
4. In the event of this guide not providing a solution to any problem encountered by you, your local Receiver of Revenue should be approached for assistance.

GENERAL

1. WHAT IS SKILLS DEVELOPMENT LEVIES?

Reference to the Act Section 3(1) of the Skills Development Levies Act

Meaning The Skills Development levy is a levy payable by employers and is calculated at the prescribed percentage of the leviable amount

2. WHO PAYS SKILLS DEVELOPMENT LEVIES?

Reference to the Act Section 3(1) of the Skills Development Levies Act

Meaning Every employer who pays or is liable to pay remuneration (leviable amount) subject to the prescribed exemptions.

3. WHAT IS THE LEVIABLE AMOUNT?

Reference to the Act Section 3(4) of the Skills Development Levies Act, definition: “leviable amount”

Meaning The total amount of remuneration paid or payable, or deemed to be paid or payable, by an employer to its employees during any month, as determined for the purposes of determining employees tax in terms of the Fourth Schedule to the Income Tax Act, whether or not such employer is liable to deduct or withhold such employees tax

Important **Remuneration paid to employees below the income tax threshold (i.e. in those cases where no PAYE is deducted) must be incorporated into the remuneration for determining the leviable amount.**

4. WHAT IS REMUNERATION?

Reference to the Act Paragraph 1 of the Fourth Schedule to the Income Tax Act, definition: “remuneration”

Meaning Any amount of income which is paid or payable to any person whether in cash or otherwise in respect of services rendered or to be rendered.

Examples

- Salary
- Remuneration for overtime
- fees
- leave gratuity
- bonus
- emolument
- allowances
- gratuity
- pension
- wage
- commission

- superannuation allowance
- retirement allowance
- annuity
- stipend
- voluntary awards
- lump sum payments
- an amount received or accrued in commutation of an amount owned in terms of a contract of employment of 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
- 50% of an allowance paid or advance given to an employee **or** holder of a public office in respect of the expense of travelling for business purposes (excluding an allowance paid for actual distance travelled not exceeding for business purposes, at a rate not exceeding the rate per kilometre fixed by the Minister of Finance in the Government Gazette)
- 50% of an allowance paid to a holder of a public office
- fringe benefits received in terms of the Seventh Schedule to the Income Tax Act
- a gratuity received by or accrued to a person from his employer because such person obtained a university degree or diploma or had been successful in some examination

Excluded

- Any amount, paid or payable to a **director of a private company** in respect of services rendered or to be rendered by the director to the company in question, is not regarded as remuneration which is liable to the deduction of employees tax **unless** the Commissioner for the South African Revenue Service in a specific case so directs.
- Independent contractors – independent contractors who are not subject to control or supervision of any person as to the manner in which their duties are performed or as to the hours of work **or** if the amounts paid or payable to them are not payable at regular daily, weekly, monthly or other intervals.
- Any pension or allowance in terms of any of the following Acts:
 - Aged Persons Act
 - Blind Persons Act
 - Disability Grants Act
 - Children’s Act
- Amounts paid to an employee to reimburse the employee for actual business expenses incurred in the course of his/her employment.
- Any annuity under an order of divorce or decree of judicial separation or under any agreement of separation.

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| 5. WHAT AMOUNTS ARE EXCLUDED IN DETERMINING THE LEVIABLE AMOUNT |
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| Reference to the Act | Section 3(5) of the Skills Development Levies Act |
| Meaning | <p>The amount of remuneration excludes the following amounts for purposes of determining the leviable amount: —</p> <ul style="list-style-type: none">• An amount paid or payable to any labour broker and to whom a certificate of exemption has been issued by the Commissioner for the South African Revenue Service (SARS), and any amount paid or payable to any person declared by the Minister of finance by notice in the Gazette as an employee.• An amount paid or payable to any person by way of any pension, superannuation allowance or retiring allowance.• An amount contemplated in paragraph (a), (d), (e) or (eA) of the definition of “gross income” in section 1 of the Income Tax Act. In essence this pertains to annuity payments, lump sum payments from employers upon retrenchment and lump sum payments from pension, provident fund and retirement fund.• An amount payable to a learner in terms of a contract of employment contemplated in section 18(3) of the Skills Development Act. |

6. WHICH EMPLOYERS ARE EXEMPT FROM PAYING THE LEVY?

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| Reference to the Act | Section 4 of the Skills Development Levies Act |
| Meaning | <ul style="list-style-type: none">• Any public service employer in the national or provincial sphere of Government.• Any national or provincial public entity if 80% or more of its expenditure is paid directly or indirectly from funds voted by Parliament.• Any religious or charitable institution or any fund which is exempt from the payment of Income Tax in terms of section 10(1)(f) or section 10 (1) (fA) of the Income Tax Act. NB: It is important to note that educational institutions exempt in terms of section 10 (1)(f) from the payment of income tax and funds which benefit such educational institutions will not be exempt from payment of the levy.• Any municipality in respect of which a certificate of exemption has been granted by the Minister of Labour. |
| Important | <p>Although the above-mentioned employers are exempt from the payment of the levy, these employers are <u>NOT</u> absolved from registration in terms of section 5(6) of the Skills Development Levies Act. In other words the employer must still register per the SDL 101 form (application for registration)</p> <ul style="list-style-type: none">• Any employer who —<ul style="list-style-type: none">➢ during any month, within reasonable grounds believes that the total leviable amount paid or payable by that employer to all its employees during the following 12 month period will not exceed R250 000; and➢ the employer is not required to register as an employer in terms of |

paragraph 15(1) of the Income Tax Act.

Important

Although the above-mentioned employers are exempt from the payment of the levy, these employers are absolved from registration in terms of section 5(6) of the Skills Development Act.

7. WHAT IS THE PRESCRIBED PERCENTAGE THAT MUST BE APPLIED?

Reference to the Act Section 3(1)(a) and (b) of the Skills Development Levies Act

Meaning

- From 1 April 2000, at a rate of 0,5% of the leviable amount; and
- from 1 April 2001 at a rate of 1% of the leviable amount.

EMPLOYER, REPRESENTATIVE EMPLOYER'S OR LABOUR BROKER RESPONSIBILITIES

8. EMPLOYER

Reference to the Act Paragraph 1 of the Fourth Schedule to the Income Tax Act, definition: "employer"

Meaning

Any person (including any person acting in a fiduciary capacity or his capacity as a trustee in an insolvent estate, an executor, or administrator of any fund) who pays or is liable to pay any person any amount by way of remuneration and any person responsible for the payment of any 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 a Provincial Council.

9. REPRESENTATIVE EMPLOYER

Reference to the Act Paragraph 1 of the Fourth Schedule to the Income Tax Act, definition: "representative employer"

Meaning

Any public officer, liquidator, judicial manager, manager, secretary, officer, guardian, curator, administrator or other person having authority to pay remuneration on behalf of an employer.

10. WHO IS A LABOUR BROKER

Reference to the Act Paragraph 1 of the Fourth Schedule to the Income Tax Act, definition: "labour broker" and "employee", subparagraph (b) and (c), and Section 3(5)(a) of the Skills Development Levies Act.

Meaning

A labour broker, for the purpose of the employees tax provisions, is a person who, for a reward, provides a client with other persons (or procures the person) to render a service or perform work for the client. Typically a labour broker either makes available his own employees to perform work for a client or he obtains workers for the client.

It is the provision or procurement of workers and not the provision of service. Typically, a labour broker arrangement will involve three parties, namely:

- The client (to or for whom workers are provided or procured).
- A labour broker (who provides or procures workers for the client).
- A worker (who is provided or procured by the labour broker for the client).

Important

Remuneration as defined excludes amounts paid in respect of services rendered by persons who carry on any trade independently of the person who is making the payment for the services rendered. Labour brokers and persons rendering services to or on behalf of a labour broker have, however, specifically been deemed not to carry on trade independently of the person making the payment.

11. EXEMPTION CERTIFICATE (IRP 30)

Reference to the Act Paragraph 2(5) of the Fourth Schedule to the Income Tax Act.
Section 3(5)(a) of the Skills Development Levies Act.

Meaning An employer who does not deduct employees tax from payments to a labour broker must be in possession of a certified copy of an exemption certificate (IRP30) which must be retained for inspection purposes.
Where the labour broker is in possession of an exemption certificate (IRP30), the relevant payments to the labour broker must be excluded from the leviable amount (remuneration).
The labour broker must apply for an IRP30 exemption certificate on form IRP30 (a). This form is available from your local Receiver of Revenue.

Validity of exemption certificate An exemption certificate will only be valid if:

- It is not outdated;
- It bears a labour broker reference number beginning with a “7”;
- It has been computer printed;
- It is the original;
- It has not been altered in any way.

12. EMPLOYEE

Reference to the Act Paragraph 1 of the Fourth Schedule to the Income Tax Act, definition: “employee”

Meaning

- A person who receives remuneration or to whom remuneration accrues.
- A person who receives remuneration or to whom remuneration accrues by reason of services rendered by such person to or on behalf of a labour broker.
- A labour broker.
- A person or class or category of person whom the Minister of Finance by notice in the Gazette declares to be an employee.

Important **Remuneration paid to certain of the above mentioned persons are excluded from the leviable amount. This aspect is discussed in more detail per paragraph 5 of this guide.**

REGISTRATION FOR THE PAYMENT OF SKILLS DEVELOPMENT LEVY

13. REGISTRATION FOR PAYMENT OF LEVY

Reference to the Act Section 5(1) and (2) of the Skills Development Levies Act

Meaning Where an employer is liable to pay the levy he/she must register per SDL101 (Application for registration) as an employer with the Receiver of Revenue in which area the business is situated, and indicate thereon the jurisdiction of the SETA within which the employer must be classified (if applicable).

If the Minister of Labour by way of a notice in the Gazette establishes a SETA or amends the jurisdiction of a SETA [Section 5(4) of the Skills Development Levies Act] after 1 April 2000, an “affected” employer must indicate to the Receiver of Revenue the jurisdiction of the SETA within which the employer must be classified.

14. WHAT IS A SETA (Sector Education and Training Authority)

Reference to the Act Section 1 of the Skills Development Levies Act, definition: “SETA”

Meaning A **sector education and training authority** established in terms of section 9(1) of the Skills Development Act, No. 97 of 1998. This falls under the auspices of the Minister of Labour.

15. HOW DOES ONE KNOW WHETHER TO REGISTER AS AN EMPLOYER WITH A SETA AS OPPOSED TO THE RECEIVER OF REVENUE

Reference to the Act Section 5(5) and 7(1) of the Skills Development Levies Act

Meaning The Minister of Labour may, by notice in the Gazette, determine that all employers who fall within the jurisdiction of any SETA specified in the notice must pay the levy to that SETA or to a body nominated by the SETA and approved by the Minister.

All the employers that fall within the jurisdiction of a SETA specified in the above mentioned notice must apply to the SETA in such manner as the SETA determines, to be registered as an employer for the purposes of the payment of the levy.

16. WHAT MUST AN EMPLOYER DO ON NOTIFICATION THAT THE LEVY IS PAYABLE TO A SETA

Reference to the Act Section 5(5) of the Skills Development Levies Act

Meaning An employer must —

- Apply to the SETA to register as an employer for the purposes of the payment of the levy; and
- Within 21 days from the date of such notice (Gazette), notify the Receiver of Revenue that such an employer falls within the jurisdiction of a SETA and that payment of the levy will be made to that SETA

17. WHAT PROCEDURE MUST BE FOLLOWED SHOULD AN EMPLOYER FALL WITHIN THE JURISDICTION OF MORE THAN ONE SETA

Reference to the Act Section 5(2) and (3) of the Skills Development Levies Act

Meaning Where an employer falls within the jurisdiction of more than one SETA, that employer must select one SETA within which it must be classified for the purpose of Skills Development Levy after taking the following factors into consideration:

- Composition of its workforce,
- Amount of remuneration paid or payable to the different categories of employees and
- Training needs of the different categories of employees.

Important Any selection undertaken is binding upon the employer unless the Commissioner for the South African Revenue Service otherwise directs.

PAYMENT OF SKILLS DEVELOPMENT LEVIES

18. WHEN MUST THE LEVY BE PAID

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| Reference to the Act | Section 6(1) & (2) and 7(1) & (4) of the Skills Development Levies Act Section 89(sex) of the Income Tax Act |
| Meaning | The levy must be paid over to the Receiver of Revenue or SETA (where applicable) with whom the employer is registered not later than seven days after the end of the month in respect of which the levy is payable under cover of a completed SDL 201 return. |
| Exception | Where the seventh day after the end of the month for which the levy is payable falls on a Saturday, Sunday or Public holiday, such payment must be made not later than the last business day falling prior to such Saturday, Sunday or Public holiday. |
| Applicable form | Payment must be made on the prescribed SDL201 return, which will be posted to registered employers each month for this purpose. However, should the return not be received in time to make the levy payment within the prescribed period, a note containing the following details must be attached to your payment: <ul style="list-style-type: none">• Name and present address;• Skills Development levy reference number;• Month to which the payment relates (for example April 2000);• Total remuneration paid or payable less exclusions in the determination of the leviable amount;• The calculation and amount of payment enclosed and• The number of employees whose remuneration was included in the leviable amount. |
| Important | The SDL201 return not received in time by an employer will not be accepted as an excuse for the late payment of the levy. |

19. PENALTIES AND INTEREST

Reference to the Act Section 11 and 12 of the Skills Development Levies Act
Section 89(ter)(1A) of the Income Tax Act

Meaning Should the levy not be paid over within the prescribed period, interest at the prescribed rates as defined in the Income Tax Act will be charged and in addition a penalty equal to 10% of such outstanding amount will be imposed.

Allocation of payment Any payment will be allocated firstly to outstanding penalties, then to outstanding interest and finally to outstanding levy.

20. PAYMENT TO A SETA — ADDITIONAL INFORMATION TO THE RECEIVER OF REVENUE

Reference to the Act Section 7(4)(b) of the Skills Development Levies Act

Meaning An employer who is liable to pay the levy to a SETA must also submit a completed SDL201 return to the Receiver of Revenue with whom the employer is registered not later than seven days after the end of the month in respect of which the levy is payable.

21. OFFENCES

Reference to the Act Section 20 of the Skills Development Levies Act

Meaning Any person who —

- fails to apply for registration for the purposes of the levy;
- fails to pay any levy on the date determined for payment thereof;
- furnishes any false information in a statement or other document required in terms of this Act, knowing the information to be false.

- fails to —
 - submit or deliver any statement or other document or thing;
 - disclose any information;
 - reply to or answer truly and fully, any questions put to him or her;
 - to attend and give evidence required in terms of the Skills Development Act;

Any person who hinders or obstructs any person in carrying out his/her functions in terms of the Skills Development Act shall be guilty of an offence and liable on conviction to a fine or to imprisonment.

Penal clause A fine or imprisonment for a period not exceeding one year.

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| 22. REGISTERS |
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Reference to the Act Section 69(1)(a) of the Income Tax Act. Paragraph 14(1) of the Fourth schedule to the Income Tax Act.

Meaning A register of all the remuneration paid to every employee, as well as the employees' tax deducted or withheld from the said remuneration and levies paid must be kept/maintained.

Important **This register must be kept for a period of 5 years from the date of last entry and must be available for inspection purposes by the South African Revenue Services and/or Department of Labour.**

MISCELLANEOUS

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| 23. QUESTIONS AND ANSWERS |
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| QUESTIONS: | ANSWERS: |
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| 1. This is another levy. How do we know whether the amounts will ever reach its intended destination within the State coffers? | Compulsory checks and balances are in place within the concerned parties to ensure that the ultimate goals are achieved. |
| 2. Can this levy be deducted from the remuneration of the employee? | No, the levy is payable by the employer. |
| 3. Is the levy paid by an employer allowable as a tax deduction? | Yes, it is deductible in terms of section 11(a) of the Income Tax Act. |
| 4. What are the VAT implications on the levy payable to SARS? | None. The levy payable by the employer is not subjected to VAT due to the fact that the Department of Labour is not a VAT vendor, and therefore cannot make any taxable supplies. |
| 5. In the event of an overpayment of the levy, will the employer be refunded the amount of the overpayment? | Yes, any repayment will be subjected to recoupment in the hand of the employer. |
| 6. Is it more advantageous to register with the Receiver of Revenue as opposed to an approved SETA or visa versa? | No, there is no advantage from either viewpoint |
| 7. How will the Receiver of Revenue or Department of Labour know whether the employer should be | Receivers of Revenue and the Department of Labour have mechanisms in place, coupled with the utilisation |

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| registered or whether the amount paid per the monthly return is in fact correct? | of inspectors. The inspectors will ensure compliance in all aspects. |
| 8. If the employer experiences a cash flow problem, can it avoid liability to pay the levy? | No, this is an offence as the levy payable is a debt due to the Receiver of Revenue or an established SETA |
| 9. If the employer fails to render a SDL201 return , what are the consequences for the employer? | The Skills Development Levies Act provides that an estimated assessment can be issued in respect of any outstanding levies. It must be borne in mind that failure to render a return is a statutory offence, which will lead to proceedings being instituted against the employer. |
| 10. From an accounting point of view can this levy be posted in the general ledger/annual financial statements as remuneration paid? | It is recommended that its posting be reflected separately as skills development levy as an easier means of reconciling. |
| 11. Where can I obtain a copy of the Skills Development Levies Act, No. 9 of 1999? | This can be found in the Government Gazette, No. 19984 dated 30 April 1999, obtainable from the Government Printer or Internet: SARS WEBSITE: www.sars.gov.za |

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| 12. Where can I obtain a copy of the Skills Development Act, No. 97 of 1998. | This can be found in the Government Gazette No. 19420, dated 2 November 1998, obtainable from Government Printers |
| 13. What happens if circumstances now warrant me to pay the levy? | The onus is upon you to advise your local Receiver of Revenue of this fact, coupled with the effective date of liability. |
| 14. In arriving at the leviable amount, can allowable deductions such as current and arrear pension or retirement annuity fund contributions which an employee has paid, including medical aid contributions in the case of persons 65 years and older be taken into account to determine the leviable amount on which the levy must be calculated? | Yes you may subject to certain limitations. The Skills Development Levies Act is specific in defining the leviable amount as the total remuneration as determined for the purpose of determining the liability for employees` tax. |
| 15. If I change my business address, am I required to advise the Receiver of Revenue and/or SETA with whom I am registered? | Yes. The relevant Receiver of Revenue and/or Seta must be informed of any change in registered particulars for example change of name or address, or when the activities of an employer have ceased. Where a SETA has collection authority, both SETA and Receiver of Revenue should be advised. |
| 16. Should I approach the Receiver of Revenue concerning aspects contained in the Skill Development Act? | No. The Department of Labour must be approached. |
| 17. Where different branches are registered separately for employees tax purposes and it is | Should this be the case SDL 102 form (obtainable from any Receiver`s office on request) should be |

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| decided that every branch will act as a separate employer – What should one do from a Skills Development Levy perspective? | completed regarding the separate registration of each branch/business. |
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| STEPS | ACTION AND STATUS | AUTHORITY |
|--------------|---|---|
| 1 | Total remuneration | Paragraph 1 of the Fourth Schedule to the Income Tax Act Dfn. Remuneration. |
| 2 | Exclusions: <ul style="list-style-type: none"> - Amount paid to a Director of a private Company. - Independent Contractors. - Repayment amounts - Pensions or allowances payable in terms of the: <ul style="list-style-type: none"> - Aged Persons Act; - Blind Persons Act; - Disability Grant Act; - Children’s Act. - Allowance or advance in terms of an order of divorce or decree of judicial separation of agreement of separation. | Paragraph 1 of the Fourth Schedule to the Income Tax Act Dfn. Remuneration. |
| 3 | Further Exclusion: <ul style="list-style-type: none"> - Amounts payable to labour brokers who are <ul style="list-style-type: none"> - Possession of a valid IRP30 certificate. - Amounts payable by way of any pension, superannuation allowance or retiring | Section 3(5) of the Skills Development Levies Act. |

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| | <p>allowance.</p> <ul style="list-style-type: none"> - Annuities. - Lump sum payments from an employer. - Lump sum payments from a fund. - 2/3 Taxability of retained actuarial values. - Amounts paid to a learner in terms of section 18 of the Skills Development Act. | |
| 4 | <p>Less: Permissible Deductions.</p> <ul style="list-style-type: none"> - Current and arrear contributions to approved pension and retirement annuity fund. - Medical aid contributions in the case of person 65 years and older. <p><u>NB:</u> arrear</p> <ul style="list-style-type: none"> - The limitations placed on current and Pension fund contribution are also applicable | <p>Paragraph 1 of the Fourth Schedule Defn. Nett Remun.</p> <p>Paragraph 2(4) of the Fourth Schedule . Section 6(1) Section 11(k) and (n) & Section 18(2)(a) of the Income Tax Act.</p> |
| 5 | Leviable amount | Section 3(4) of the Skills Development Levies Act. |
| 6 | Leviable amount x Prescribed percentage | Section 3(1) of the Skills Development Levies Act. |

APPENDIX

SDL 101 APPLICATION FOR REGISTRATION

SDL 102 APPLICATION FOR SEPARATE REGISTRATION OF A BRANCH/BUSINESS

SDL 201 RETURN FOR REMITTANCE



FOR OFFICIAL USE

Nature of person

Reference no.

Area code

READ "GUIDELINES FOR SKILLS DEVELOPMENT LEVIES (SDL 10) CAREFULLY BEFORE COMPLETING THIS FORM. USE BLOCKLETTERS

This form must be completed IN FULL and returned to your local Receiver of Revenue and may under NO circumstances be submitted per facsimile.

1. PARTICULARS OF PERSON* WHO IS APPLYING FOR REGISTRATION OF THE SKILLS DEVELOPMENT LEVY

1.1 Nature of person (Mark with an X)

A INDIVIDUAL **B PARTNERSHIP** **C COMPANY / CLOSE CORPORATION**

D LOCAL AUTHORITY / PUBLIC AUTHORITY **E ASSOCIATION NOT FOR GAIN**

F ESTATES / LIQUIDATION / TRUSTS **G CLUB** **H WELFARE ORGANISATION**

1.2 Name of person indicated in item 1.1 above, i.e. name of employer

1.2.1 Initials (individual only)

1.2.2 Name (in the case of an individual, only the surname, and in the case of a partnership, company, etc., name of partnership, company, etc.)

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1.2.3 In the case of an individual who is married, kindly indicate your marital status (mark with an X) Married in community of property Married out of community of property

1.2.4 If married in community of property furnish the following particulars of your spouse

1.2.4.1 Full names

1.2.4.2 Identity number

1.2.4.3 Income Tax reference number

1.3 Particulars of the person (indicated in item 1.2 above) or where the person is a partnership, the personal particulars of the partner who is responsible for the submission of the financial statements of the partnership for income tax purposes:

1.3.1 Income Tax reference number

1.3.2 Employees tax reference number

1.3.3 In the case of a partnership, furnish the name of the partner mentioned in 1.3 above:

1.3.3.1 Initials Surname

1.3.3.2 Reason code 1.3.2.3 Country of origin

1.3.4 Date of birth (where applicable)

1.3.5 Identity number (where applicable)

1.3.6 Registration number of company / close corporation

1.3.6.1 Country of origin (foreign co/cc)

1.3.7 Full name(s) of person referred to in item 1.2.1 or 1.3.3 above

1.4 Language preference (mark with an X) Afrikaans English

1.5 Date on which the business commenced/will commence

1.6 Date on which the person became/will become liable to be registered

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| C | C | Y | Y | D | D | M | M |
|---|---|---|---|---|---|---|---|

Refer to Guidelines for Skills Development Levies (SDL 10)

SDL 101

1.7 Partnerships only: Particulars of partners (not the partner indicated in item 1.3 above), maximum three

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| 1.7.1 Name _____ |
| Address _____ |
| Postal code _____ |

| | |
|-------------------|-------|
| Income Tax number | _____ |
| ID-number | _____ |

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| | | | |
|-------------|--------------------------|-------------------|-------|
| Reason code | <input type="checkbox"/> | Country of origin | _____ |
|-------------|--------------------------|-------------------|-------|

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|-------------------|
| 1.7.2 Name _____ |
| Address _____ |
| Postal code _____ |

| | |
|-------------------|-------|
| Income Tax number | _____ |
| ID-number | _____ |

FOR OFFICE USE

| | | | |
|-------------|--------------------------|-------------------|-------|
| Reason code | <input type="checkbox"/> | Country of origin | _____ |
|-------------|--------------------------|-------------------|-------|

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|-------------------|
| 1.7.3 Name _____ |
| Address _____ |
| Postal code _____ |

| | |
|-------------------|-------|
| Income Tax number | _____ |
| ID-number | _____ |

FOR OFFICE USE

| | | | |
|-------------|--------------------------|-------------------|-------|
| Reason code | <input type="checkbox"/> | Country of origin | _____ |
|-------------|--------------------------|-------------------|-------|

2. PARTICULARS OF REPRESENTATIVE EMPLOYER (Mandatory information if nature of person is C to H)
 (For example: Public Officer, Curator, Liquidator, Executor, Administrator, Accounting Officer, etc.)

| | | | |
|--------------|-------|---------|-------|
| 2.1 Initials | _____ | Surname | _____ |
|--------------|-------|---------|-------|

| | |
|--------------|-------|
| 2.2 Capacity | _____ |
|--------------|-------|

| | | | |
|---|-------|-------------|-------|
| 2.3 Residential address (not post box number) | _____ | Postal code | _____ |
|---|-------|-------------|-------|

| | | | |
|-------------------------------------|-------|---------------|-------|
| 2.4 Telephone number (office hours) | _____ | Dialling code | _____ |
|-------------------------------------|-------|---------------|-------|

| | | | |
|---------------------------|-------|---------------|-------|
| 2.5 Home telephone number | _____ | Dialling code | _____ |
|---------------------------|-------|---------------|-------|

| | | | |
|----------------------|-------|---------------|-------|
| 2.6 Facsimile number | _____ | Dialling code | _____ |
|----------------------|-------|---------------|-------|

| | |
|-------------------------------|-------|
| 2.7 Cellular telephone number | _____ |
|-------------------------------|-------|

| | |
|-------------------|-------|
| 2.8 Date of birth | _____ |
|-------------------|-------|

| | |
|---------------------|-------|
| 2.9 Identity number | _____ |
|---------------------|-------|

| | |
|---|-------|
| 2.10 Full name(s) of person referred to in item 2.1 above | _____ |
|---|-------|

2.11 A certified copy of the identity document of the person mentioned in item 2.1 must be attached.

3. PARTICULARS OF BUSINESS (Select largest or main business – For other businesses, see item 6 below)

| | |
|---------------------------|-------|
| 3.1 Trading or other name | _____ |
|---------------------------|-------|

FOR OFFICIAL USE

| |
|-------|
| _____ |
|-------|

| | |
|-------------------------------------|-------|
| 3.2 Business address (not post box) | _____ |
|-------------------------------------|-------|

| | |
|--|-------------|
| | Postal code |
|--|-------------|

FOR OFFICIAL USE

| | |
|--|-------------|
| | Postal code |
|--|-------------|

3.3 Business telephone number Dialling code

3.4 Facsimile number Dialling code

3.5 Cellular telephone number

SDL 101

3.6 Postal address

 Postal code

FOR OFFICIAL USE

| | |
|--|-------------|
| | Postal code |
|--|-------------|

3.7 Magisterial district in which business address is situated

3.8 State main sector and activity (e.g. banking:-commercial bank)

3.9 Insert applicable codes. Refer to SETA Classification Guide: FOR OFFICIAL USE

3.9.1 SETA code

3.9.2 Chamber/Activity code

3.10.1 Estimated payroll for the twelve months period as from 01 April 2000 R

3.10.2 Number of employees on which estimated payroll is based

3.11 Particulars of accounting officer, bookkeeper or contact person:

3.11.1 Name

3.11.2 Business address (not box number)

 Postal code

3.11.3 Telephone number (office hours) Dialling code

3.11.4 Facsimile number Dialling code

3.11.5 Cellular telephone number

4. PARTICULARS OF EXEMPTIONS

Employers who fall within the below mentioned categories are not liable for the payment of the levy in terms of section 4 of the Skills Development Levies Act, but must however still register in terms of section 5(6) of the aforementioned Act. Kindly mark the appropriate block with an "X" (if applicable).

| | | |
|--|--------------------------|--------------------------|
| | | For Office Use |
| 4.1 Any National / Provincial public service employer | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.2 Religious, Charitable or Educational institutions (NB: Certified copy of letter of exemption issued by the Commissioner for SARS required) | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.3 National / Provincial public entity, if 80% or more of your expenditure is defrayed from funds voted by Parliament | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.4 Municipalities to whom a certificate of exemption has been granted (NB: Certified copy of exemption certificate issued by the Department of Labour required) | <input type="checkbox"/> | <input type="checkbox"/> |

5. PARTICULARS OF BANK ACCOUNT

***THE BANK ACCOUNT MUST BE IN THE NAME OF THE EMPLOYER OR THE TRADING NAME**

5.1 Name of bank

5.2 Type of account (mark with an X)

| | |
|---------|----------|
| Current | 1 |
|---------|----------|

| | |
|---------|----------|
| Savings | 2 |
|---------|----------|

| | |
|--------------|----------|
| Transmission | 3 |
|--------------|----------|

5.3 Bank branch number - - -

5.4 Account number

5.5 Name of account holder

5.6 A copy of the latest bank statement, a cancelled cheque or a written confirmation from the bank stating that you are the rightful account holder, must be attached.

6. PARTICULARS OF SHAREHOLDERS, DIRECTORS (COMPANY) AND MEMBERS (CLOSE CORPORATION)

6.1 Number of shareholders in the case of a public/private company

6.2 Number of members in the case of a close corporation

6.3 Number of directors in the case of a public/private company

SDL 101

6.4 **Furnish the name (initials and surname), residential address (not post box number), income tax reference number and identity number of three major shareholders in the case of a public/private company or three members in the case of of a close corporation, in the space below:**

6.4.1 Name _____
Address _____
Postal code

Income Tax number
ID-number

FOR OFFICE USE
Reason code Country of origin

6.4.2 Name _____
Address _____
Postal code

Income Tax number
ID-number

FOR OFFICE USE
Reason code Country of origin

6.4.3 Name _____
Address _____
Postal code

Income Tax number
ID-number

FOR OFFICE USE
Reason code Country of origin

7. PARTICULARS OF OTHER BUSINESSES BRANCHES

7.1 State the number of businesses/branches, excluding the business indicated in item 3 above, if separate businesses/branches also exist in the Republic of South Africa.

7.2 If separate registration is required for any of these businesses/branches, state the number of, businesses/branches for which separate registration is required. Application for separate registration of any businesses/branches must be made on an SDL 102 form (available at your local Receiver of Revenue).

7.3 Fill in the trading or other name, business address (not post box number), and the Income Tax reference number of all the businesses/branches, including those for which application for a separate registration was made on an SDL 102 form.

Name
Address
Income tax ref no

Name
Address
Income tax ref no

Name
Address

| | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

Income tax ref no

| | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

8. DECLARATION BY THE PERSON COMPLETING THIS FORM AS
EMPLOYER/REPRESENTATIVE EMPLOYER

I declare that I am the employer/representative employer and that the information furnished herein is true and correct

Name:

Capacity:

Signature

Date

9. DECLARATION BY THE PERSON ASSISTING THE EMPLOYER/REPRESENTATIVE EMPLOYER WITH THE COMPLETION OF THIS FORM

I declare that I assisted the employer/representative employer and that the information furnished herein is true and correct

Name:

Capacity:

Signature

Date

10. FOR OFFICIAL USE

Edited by (Initials and surname):

Signature:

Date:

11. NOTES

ANY OF THE BELOWMENTIONED DOCUMENTS OR REQUIRED DETAILS NOT SUPPLIED WITH YOUR APPLICATION, WILL RESULT IN THE FORM BEING RETURNED, THUS DELAYING REGISTRATION PROCESS.

11.1 INDIVIDUAL:

- ◆ Certified copy of ID document.
- ◆ Copy of latest bank statement/confirmation of bank account held/cancelled cheque. The account must be in the name of the legal person or business only.

NOTE: Your personal income tax reference number.

11.2 PARTNERSHIP:

- ◆ Certified copy of each partner's ID document.
- ◆ Each partner's Income tax reference number.
- ◆ Copy of the partnership agreement.
- ◆ Copy of latest bank statement/confirmation of bank account/cancelled cheque. Account must be in the name of partnership only.

11.3 COMPANY/CC:

- ◆ Copy of the CK 1 (stamped in Pretoria by the Registrar for Company/Close Corporations).
- ◆ Copy of the Incorporation, Memorandum and Articles of Associates, for Pty Ltd
- ◆ ID numbers and Income tax reference numbers of the shareholders, members and directors.
- ◆ Copy of latest bank statement/confirmation of bank account held/cancelled cheque. The account must be in the name of the Pty Ltd or CC
- ◆ A certified copy of the Representative person's ID document. (Public Officer/Accountant).

11.4 TRUST:

- ◆ Certified copy of Trust Deed.
- ◆ Copy of latest bank statement/confirmation of bank/cancelled cheque. The account must be in the name of the Trust only.
- ◆ Certified copy of the Representative person's ID document.

NOTE: The trust must be registered for income tax and the reference number supplied.

11.5 ASSOCIATION NOT FOR GAIN:

- ◆ Certified copy of the Representative person's ID document.
- ◆ Copy of latest bank statement/confirmation of bank account/cancelled cheque. The account must be in the name of the Business only.



SKILLS DEVELOPMENT LEVY — Application for separate registration of a business/branch

FOR OFFICIAL USE

Nature of person

Reference no. L

Area code

READ "GUIDELINES FOR SKILLS DEVELOPMENT LEVIES (SDL 10) CAREFULLY BEFORE COMPLETING THIS FORM. USE BLOCKLETTERS

NB: THIS APPLICATION FOR SEPARATE REGISTRATION* OF A BUSINESS/BRANCH (HEREAFTER REFERRED TO AS AN EMPLOYER) MAY ONLY BE COMPLETED IF AN APPLICATION TO REGISTER THE PERSON HAS ALREADY BEEN MADE ON AN SDL 101 FORM

This form must be completed IN FULL and returned to your local Receiver of Revenue and may under NO circumstances be submitted per facsimile.

2. PARTICULARS OF PERSON* WHO IS APPLYING/LIABLE FOR THE REGISTRATION OF THE SKILLS DEVELOPMENT LEVY

1.1 Nature of person (Mark with an X)

Options: A INDIVIDUAL, B PARTNERSHIP, C COMPANY / CLOSE CORPORATION, D LOCAL AND PUBLIC AUTHORITY, E ASSOCIATION NOT FOR GAIN, F ESTATES / LIQUIDATION / TRUSTS, G CLUB, H WELFARE ORGANISATION

1.2 Name of person indicated in item 1.1 above, i.e. name of employer

Initials (individual only)

1.2.2 Name (in the case of an individual, only the surname, and in the case of a partnership, company, etc., name of partnership, company, etc.)

Name input grid

FOR OFFICIAL USE

Official use grid

1.3 Furnish your existing SDL reference number

L

If the SDL reference number is not available, please furnish the following information:

1.3.1 Date on which the application to register the person (on form SDL 101) was made

CCYYDDMM

1.3.2 Name of the office of the Receiver of Revenue where the application was made

1.4 Employees tax reference number

2 STATE PARTICULARS OF PERSON

2.1 Particulars of the person indicated in item 1.2 above

2.1.1 Income tax reference number

2.1.2 Date of birth (where applicable)

CCYYDDMM

2.1.3 Identity number (where applicable)

2.1.4 Registration number of company/close corporation

2.1.5 Country of origin (foreign co/cc)

4. PARTICULARS OF BANK ACCOUNT

***THE BANK ACCOUNT MUST BE IN THE NAME OF THE EMPLOYER OR THE TRADING NAME**

4.1 Name of bank

4.2 Type of account (mark with an X) Current **1** Savings **2** Transmission **3**

4.3 Bank branch number - - -

4.4 Account number

4.5 Name of account holder

4.6 **A copy of the latest bank statement, a cancelled cheque or a written confirmation from the bank stating that you are the rightful account holder, must be attached.**

SDL 102

5. PARTICULARS OF OTHER BUSINESSES/BRANCHES INCLUDED IN THIS SEPARATE REGISTRATION

5.1 Trading or other name, business address (not post box number) and client number of ALL businesses/branches included in this separate registration. If necessary use a separate sheet of paper for the additional businesses/branches.

| | | |
|---------|----------------------|----------------------|
| Name | <input type="text"/> | |
| Address | <input type="text"/> | |
| | Client number | <input type="text"/> |
| Name | <input type="text"/> | |
| Address | <input type="text"/> | |
| | Client number | <input type="text"/> |
| Name | <input type="text"/> | |
| Address | <input type="text"/> | |
| | Client number | <input type="text"/> |

6. DECLARATION BY THE PERSON COMPLETING THIS FORM AS EMPLOYER/REPRESENTATIVE EMPLOYER

I declare that I am the employer/representative employer and that the information furnished herein is true and correct

Name: _____ Capacity: _____

Signature _____ Date _____

7. DECLARATION BY THE PERSON ASSISTING THE EMPLOYER/REPRESENTATIVE EMPLOYER WITH THE COMPLETION OF THIS FORM

I declare that I assisted the employer/representative employer and that the information furnished herein is true and correct

Name: _____ Capacity: _____

Signature

Date

8. FOR OFFICIAL USE

Edited by (Initials and surname):

Signature:

Date:

Please note that the Commissioner for the South African Revenue Service (SARS) will not exercise his discretionary powers in favour of any person with regard to any interest, penalties and/or additional tax leviable due to the late- or underpayment of taxes, duties or levies or the late rendition by any person as a result of any computer system not being year 2000 compliant

PART



**SOUTH AFRICAN REVENUE SERVICE
SKILLS DEVELOPMENT LEVY — Return for remittance**

Always quote this number in correspondence and during interviews

Reference number

Enquiries Tel. No.

SDL201

Return for the month:

Last day of submission of return and payment:
(See note 2 overleaf)

This receipt is not valid unless printed in cash register figures.

PART

SDL 201

Reference number: [] Area: [] Trading or other name: []

Amount of payment: R [] C [] Method of payment: Cheque Cash

Remittance received on: [] Month: [] Payment due on or: []

Fold here for cash register

PART

RETURN OF SKILLS DEVELOPMENT LIABILITY

SDL 201

Trading or other name: []

Reference number: []

| | | | | | | | | |
|---------------|---|---|---|---|---|---|---|---|
| Date received | C | C | Y | Y | M | M | D | D |
| Month | C | C | Y | Y | M | M | M | M |

NB. Read notes overleaf

A. CALCULATION OF LEVIABLE AMOUNT in accordance with section 3(1) of the Skills Development Levies Act, No. 9 of 1999.

| | | |
|---|----------|----------|
| Total amount of remuneration paid or payable | 1 | R |
| LESS: Prescribed exclusions (non-leviable amount) | 2 | R |
| LEVIABLE AMOUNT (1-2) | 3 | R |

B. CALCULATION OF LEVY PAYABLE

| | | |
|---|----------|----------|
| Leviable amount R..... x % = LEVY PAYABLE | 4 | R |
| LESS: Levy credit brought forward from previous month | 5 | R |
| ADD: Penalty | 6 | R |
| ADD: Interest | 7 | R |
| TOTAL AMOUNT PAYABLE (4-5+6+7) | 8 | R |

Number of employees whose remuneration is included in the above leviable amount.

[][][][][][][][][]

I certify that the particulars furnished in this return are true and correct.

[]

[]

[]

Signature

Capacity

Date



GENERAL NOTES

1. An employer who fails to pay any amount of LEVY for which he/she is liable, within 7 days after the end of the month during which the amount was/should have been paid, shall pay:
 - a penalty equal to 10% of such amount; and
 - interest at the prescribed rate on such amount in respect of the period during which the amount remains unpaid.
2. Where the 7th day is not a "Business day" such payment must be made on or before the last "Business day" prior to the 7th day.
"Business day" means any day that is not a Saturday, Sunday or public holiday (section 89sex).
3. Late payments on which penalty and interest is payable, are allocated in terms of section 89ter(1A) of the Income Tax Act, firstly towards penalty, then towards interest and thereafter towards the LEVY.
4. Please notify your local Departmental Receiver of Receiver of any changes of registered particulars.

HOURS FOR RECEIPT OF CASH

Mondays to Fridays: 08h00 — 15h30
Weekends and public holidays: Closed

CASH REGISTER RECEIPT

NB. In offices where cash register machine are not used, the receipt will then be issued on form IT 60.

PART 1 OF RETURN (Notes for completing the return)

1. This amount represents the total Gross Remuneration paid to your employees during the month.
- 2&3. LESS: The amount calculated represents the prescribed exclusions permissible from Gross Remuneration in order to arrive at the leviable amount. Full calculations of the exclusions must be retained for inspection purposes.
4. Calculate the levy payable using the prescribed rate on the leviable amount.
5. LESS: Tax credit brought forward from previous month/s. A credit may only be taken into account if approval in this regard has been received from the Receiver of Revenue.
6. ADD: Penalty at a rate of 10% for failure to pay the levy within the prescribed period (see general note 1 above).
7. ADD: Interest at the prescribed rate for failure to pay the levy within the prescribed period (see general note 1 above).
8. Amount payable.

Part 1 of this return must be completed and returned regardless of whether the LEVY LIABILITY IS NIL.

Please note that SARS will not exercise its discretionary powers in favour of any person with regard to any interest and penalties leviable due to the late- or underpayment of taxes, duties or levies or the late rendition of returns by any person as a result of any computer system not being year 2000 compliant

SARS OFFICES

WESTERN AND NORTHERN CAPE

Beaufort West

(0201) 3235

| | |
|-----------|----------------|
| Bellville | (021) 959 9100 |
| Cape Town | (021) 460 2911 |
| George | (044) 874 7420 |
| Kimberly | (053) 831 2250 |
| Paarl | (021) 872 2181 |
| Worcester | (023) 342 0051 |

GAUTENG

| | |
|------------------|----------------|
| Benoni | (011) 421 1701 |
| Boksburg | (011) 917 9510 |
| Brakpan | (011) 740 2900 |
| Germiston | (011) 873 4160 |
| Johannesburg | (011) 241 6000 |
| Krugersdorp | (011) 953 1882 |
| Nigel | (011) 814 6466 |
| Pretoria | (012) 317 2000 |
| SARS Head Office | (012) 422 4000 |
| Randfontein | (011) 411 7200 |
| Roodepoort | (011) 760 1886 |
| Sandton | (011) 789 6336 |
| Springs | (011) 815 5470 |
| Vereeniging | (016) 422 6321 |

KWAZULU NATAL & EASTERN CAPE

| | |
|------------------|----------------|
| Bisho | (040) 609 1111 |
| Durban | (031) 360 8911 |
| East London | (043) 722 7270 |
| Pietermaritzburg | (0331) 554 611 |
| Port Elizabeth | (041) 523 540 |
| Uitenhage | (041) 991 0700 |
| Umlazi | (031) 907 9039 |
| Umtata | (0471) 312 162 |

MPUMALANG AND NORTHERN PROVINCE

| | |
|-------------|----------------|
| Giyani | (015) 812 1890 |
| Lebowakgomo | (015) 633 6100 |
| Nelspruit | (013) 753 2693 |
| Pietersburg | (015) 299 7000 |
| Sibasa | (015) 963 3378 |
| Standerton | (017) 712 2140 |
| Witbank | (013) 656 6003 |

FREE STATE AND NORTH WEST

| | |
|--------------|----------------|
| Bloemfontein | (051) 448 2331 |
| Klerksdorp | (018) 464 1554 |
| Kroonstad | (0562) 22151 |
| Mmabatho | (01839) 25428 |
| Rustenburg | (014) 592 2035 |
| Welkom | (057) 352 8375 |

SARS WEBSITE: www.sars.gov.za