

Dear Taxpayer

As you are aware the 202202 Tax year end recon is fast approaching and due at the end of May 2022.

This will be a difficult reconciliation. The ETI legislation has changed significantly more than 4 times over the last 24 months.

These changes have caught payroll systems flat-footed and off guard.

What this means for your business:

ETI is already difficult to calculate and with the many current changes to the legislation, payroll systems have broken.

These changes were implemented late with little warning and left payrolls and service providers no time to apply correctly.

Increases to ETI amounts claimable, additional qualifying counts, changes to age criteria, and the definition of ETI remuneration have led payroll systems into severe underclaims or, in some instances, major overclaims.

Payroll systems have failed to track an employee's ETI qualifying count correctly and interpret the changes to legislation. This means that Taxpayers are not aware of their true and correct ETI value.

Overstated ETI will be forfeited creating debt that will need to be paid back to SARS, plus interest and penalties. Underclaimed ETI will be lost.

How can we help you?

A team of tax experts with specialised ETI software will recalculate and track every employee's ETI per month over their 32-month ETI cycle.

This will allow us to not only to determine your true and accurate ETI value but give you an opportunity to benchmark your payroll calculated ETI whilst still creating a cost saving.

Being EMP501 Specialists gives us the ability to fix any ETI claimed incorrectly over the past 6 months now on the EMP501 declaration.

Underclaimed ETI will be submitted and recovered from SARS. Overclaimed ETI will be reduced and balanced during submission.

Kindly contact us well before the end of May 2022 to have your ETI reviewed at no cost, rectify your employees' ETI period sets/counts, and ensure that your business is in right standing with SARS.

Regards

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