

EMPLOYEE'S TAX & BENEFITS WORKSHOP

Based on our experience - when it comes to employees' tax, our bespoke 2-day employees tax workshop goes a long way towards minimizing payroll queries, understanding and professional empowerment.

Most employees don't understand the complex tax calculations payroll applies to their earnings each month and often question these deductions. This is further fueled by tax myths that are shared amongst employees and professionals alike which create the incorrect understanding of these tax mechanics, which impact every single employee across the country.

Our employee's tax and benefit workshop incorporates 40-50 practical examples which covers the basics of employee's tax, personal tax and key benefits. Our workshop caters for all levels of professionals with the assumption of a zero-knowledge base with step-by-step computations.

The key agenda items and some of the detail covered in our workshop are as follows:

01

UNDERSTANDING THE TAX TABLE TO CALCULATE TAX

- What is the tax year for individuals in South Africa?
- Is there a monthly, weekly or annual tax table?
- Are there special tax tables applied to certain companies?
- Do I get taxed at a fixed marginal tax rate?
- What do you mean by a progressive tax system?
- My salary is taxed on a monthly amount?

02

REBATES AND HOW TO APPLY TO TAX CALCULATIONS

- I only get a rebate when I submit my tax return?
- What is meant by the tax threshold?
- I only get one annual rebate for tax irrespective of my age?

03

HOW TO CALCULATE TAX ON A BASIC MONTHLY SALARY

- If my payroll system crashes, how do I compute monthly PAYE?
- How do I calculate a net amount on a basic monthly salary after PAYE deduction?
- Preparation of a basic payslip using a T-account approach.
- If I get a salary increase I earn less as it is taxed in a higher tax bracket?

04

PART YEAR CALCULATIONS AND 2 OR MORE SOURCES OF INCOME

- Where I receive 2 or more payslips will I pay more or less tax with SARS?
- If I work for only a few months in the tax year will I receive a refund or will I have a liability with SARS?

05

HOW IS MEDICAL AID TREATED FOR TAX PURPOSES AND HOW TO CALCULATE MEDICAL AID CREDITS?

- How are employee contributions and employer contributions to medical aid treated for tax purposes?
- Are medical aid credits calculated annually?
- Are medical aid credits added as an earning to your income?
- What are the mechanics of medical aid credits?

06

HOW IS THE TAX ON MY BONUS CALCULATED?

- If my bonus is paid in another week of the month, am I taxed at a lower rate?
- Do I pay higher tax on my bonus?
- Why do I pay so much tax on my bonus?
- My bonus is taxed differently to my other income?

07

TRAVEL ALLOWANCES AND COMPANY CARS FOR TAX PURPOSES?

- Can I tax travel allowances and company cars at 100%?
- Can I choose what rate I can tax company cars and travel allowances?
- What is the difference between company owned vehicles and operating leased vehicles for tax purposes?
- Can any employee structure a travel allowance into their package?
- Can you choose any amount as a travel allowance in your package?

08

HOW IS UIF COMPUTED

- What is UIF calculated on?
- Is UIF paid on monthly or annual amounts?
- How to calculate employee and employer contributions towards UIF.

09

RETIREMENT REFORM

- What is retirement funding income or pensionable salary?
- Is there a definition that is required by law?
- How are employer and employee retirement contributions treated for tax purposes?
- What are risk benefits?
- How are risk benefits treated for tax?
- Understanding disability, PHI, Income Protection, Dread Disease, Group Life, Death Cover benefits for tax purposes.
- What is the difference between approved and unapproved benefits?
- Can I claim all contributions to a retirement fund as a tax deduction?

10

BASICS OF SALARY STRUCTURING

- Cost to Company vs Basic Plus Remuneration Structures?
- Cost to company is taxed higher than basic plus structures?
- How to structure remuneration for better tax efficiencies.

11

BASICS OF EXPATRIATE TAX

- Employee vs. Expatriate?
- The difference between outbound and inbound expatriates?
- Best practice tax treatments that organisations use to manage their expatriate population, including tax protection and tax equalisation?
- Section 10(i)(o)(ii) and the impact to expats since the law change?

CONCLUSION

Following an old school approach where delegates have to perform actual practical examples, employees are empowered to calculate their own PAYE, UIF and other statutory contributions to catapult their understanding of these statutory deductions on their payslips.

Our tried and tested comprehensive workshop has evolved for over a decade which ensures each delegate has an enjoyable experience and is able to conquer their fears and obtain and better understanding of the basic mechanics of tax.