

**EXTERNAL**

**FREQUENTLY ASKED QUESTIONS**

**EMP501 RECONCILIATION ASSISTANT**

## 1 PURPOSE

- These FAQs provide general information regarding the Pay-As-You-Earn (PAYE) EMP501 Reconciliation Assistant process and functionality. This document should not be used as a legal reference.

## 2 SCOPE

- This document addresses the basic questions regarding the EMP501 Reconciliation Assistant process and functionality, and is applicable to employers and tax practitioners.

## 3 REFERENCES

### 3.1 LEGISLATION

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	<b>Income Tax Act No. 58 of 1962: 4<sup>TH</sup> Schedule</b>
Other Legislation:	<b>None</b>
International Instruments:	<b>None</b>

### 3.2 CROSS REFERENCES

DOCUMENT #	DOCUMENT TITLE	QUALITY REQUIREMENTS
	eFiling guide – <a href="#">Accessing the new features for the Monthly Employer Declaration (EMP201) and the EMP501 Reconciliation Assistant process</a>	PAYE Reconciliation Assistant
	<a href="#">e@syFile™ PAYE User Guide</a>	PAYE Reconciliation Assistant

## 4 DEFINITIONS AND ACRONYMS

<b>Employees Tax</b>	PAYE, UIF and/or SDL
<b>Employer</b>	Any person (excluding any person not acting as a principal, but including any person acting in a fiduciary capacity or in his capacity as a trustee in an insolvent estate, an executor or an administrator of a benefit fund, pension fund, provident fund, retirement annuity fund or any other fund) who pays or is liable to pay to any person any amount by way of remuneration, and any person responsible for the payment of any amount by way of remuneration to any person under the provisions of any law or out of public funds (including the funds of any provincial councillor or any administration or undertaking of the State) or out of funds voted by Parliament or a provincial council.
<b>EMPSA</b>	Employer Statement of Account
<b>PAYE</b>	Pay-As-You-Earn
<b>SARS</b>	The South African Revenue Service
<b>SDL</b>	Skills development Levy
<b>Tax Practitioner</b>	Any person who provides tax advice or completes returns for the payment of a fee. Such a person. Must be registered with SARS.
<b>UIF</b>	Unemployment Insurance fund

## 5 FREQUENTLY ASKED QUESTIONS

QUESTION	ANSWER
1. What is the EMP501 Reconciliation Assistant?	The EMP501 Reconciliation Assistant is an on-line system that provides functionality that assists employers in amending and correcting EMP501 declarations in order that monthly EMP201s filed and payments made balance to IRP5 certificates filed.
2. Will all employers be	No. The employer will only need to use EMP501 Reconciliation Assistant

QUESTION	ANSWER
required to utilise the EMP501 Reconciliation Assistant process?	functionality if SARS has requested that the employer rectify his/her EMP501 declaration.
3. Will employers be informed as to why the EMP501 reconciliation must be revised and re-submitted?	Yes. There are numerous reasons as to why SARS would require the employer to revise his/her EMP501 reconciliation. The reason will be detailed in the notification which employer receives from SARS.
4. On receipt of the notification from SARS, how can the EMP501 Reconciliation Assistant functionality be accessed?	Once the employer has received the notification from SARS, he/she can access the EMP501 Reconciliation Assistant functionality by: <ul style="list-style-type: none"> <li>▫ Logging on to eFiling (<a href="http://www.sarsefiling.co.za">www.sarsefiling.co.za</a>)</li> <li>▫ Logging on to e@syFile™ Employer, or</li> <li>▫ Visiting the nearest SARS branch for assistance.</li> </ul>
5. What will be required of the employer during the EMP501 Reconciliation Assistant process?	The employer will be required to: <ul style="list-style-type: none"> <li>▫ Verify that all Employees Tax payments have been correctly received by SARS, and if not, notify SARS of any missing payments,</li> <li>▫ Confirm the Monthly Employer Declaration (EMP201): Verify that all the EMP201s SARS has received are correct,</li> <li>▫ Allocate payments correctly (where applicable)</li> <li>▫ Ensure that the value of the Employees tax certificates [IRP5/IT3(a)s] included in the EMP501 Reconciliation matches the declared PAYE liability for the period</li> <li>▫ Make any additional/top-up payments for the required periods</li> <li>▫ Submit the revised EMP501 declaration.</li> </ul>
6. For which period is the EMP501 Reconciliation Assistant available?	The EMP501 Reconciliation Assistant process will be implemented from 3 December 2010 for the August 2010 (201008) interim reconciliation period onwards.
7. What supporting documents will be required to complete the EMP501 Reconciliation Assistant process?	In the event that eFiling or e@syFile™ Employer is not used, and the employer is required to come to a SARS branch for assistance, the following supporting documents will be required: <ul style="list-style-type: none"> <li>▫ All Monthly Employer Declarations (EMP201s) submitted to SARS</li> <li>▫ Proof of all payments made to SARS; and</li> <li>▫ A copy of the latest submitted EMP501 declaration.</li> <li>▫ Optional, the Employees tax certificates [IRP5/IT3(a)s]</li> </ul> <p><b>Note:</b> The abovementioned documents must be for the August 2010 reconciliation period, e.g. 201003 – 201008.</p>
8. What is a missing payment?	A missing payment is a payment made to SARS which does not reflect on the employer's account, e.g. it does not appear on the Employer Statement of Account (EMPSA).
9. Must an employer use the same channel which he/she used originally when submitting the revised EMP501 reconciliation?	No. An employer may use any of the available channels, irrespective of which channel he/she used initially. The available channels are as follows: <ul style="list-style-type: none"> <li>▫ SARS eFiling</li> <li>▫ SARS e@syFile™ Employer, or</li> <li>▫ Submission at the nearest SARS branch.</li> </ul>
10. Will employers be able to submit revised EMP501 declarations without using the EMP501 Reconciliation Assistant	No. Where SARS has requested that the employer revise the original declaration, the EMP501 Reconciliation Assistant functionality must be used.

QUESTION	ANSWER
functionality?	
11. Where can employers access documents to assist them in completing the EMP501 Reconciliation Assistant process?	<p>For step-by-step guides to completing the EMP501 Reconciliation Assistant process, please:</p> <ul style="list-style-type: none"> <li>▫ Access one of the following guides by logging onto <a href="http://www.sars.gov.za">www.sars.gov.za</a>: <ul style="list-style-type: none"> <li>○ External Guide: eFiling guide – <a href="#">Accessing the new features for the Monthly Employer Declaration (EMP201) and the EMP501 Reconciliation Assistant process</a></li> <li>○ External Guide: <a href="#">e@syFile™ PAYE User Guide</a></li> </ul> </li> <li>▫ Visit the nearest SARS branch for assistance.</li> </ul>

## 6 QUALITY RECORDS

Number	Title
EMP201	Monthly Employer Declaration
EMP501	Employer Reconciliation Declaration
IRP5/IT3(a)	Employee tax certificate

## 7 DOCUMENT MANAGEMENT

Designation	Name / Division
Business Owner:	Group Executive: Branch Operations and Contact Centre Operations
Policy Owner:	Executive: Enterprise Business Enablement (EBE)
Author:	T. Klassen
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