

As from 1 April 2020:

#### Employment Tax Incentive Scheme

They have extended the Employment Tax Incentive scheme that's was introduced to encouraged employers to employ young people. It only applies to employees earning R6500 or less. It has extended the program to allow a claim of R500 limited for a four month period to include persons over the age of 29 and for those under the age of 29 who no longer qualified.

#### Employees Tax PAYE

They are allowing certain small businesses (Turnovers less than R50m) to defer 20 % of their PAYE payment for 4 months starting 1 April. It must be repaid in 6 equal installments starting 1 August 2020. SARS will not impose any interest or penalties on the 20% deferred.

#### Provisional Tax

Companies with a Turnover not exceeding R50 million and possibly individuals who trade with a Turnover not exceeding R5 million will be able to defer part of their 1st and second provisional tax payments but will have to settle the deferred payments by the 3rd provisional tax payment. As most of our client have February tax year ends this will provide some relief for the August provisional tax payment.

#### PLEASE NOTE

All of the above only come into effect from 1 April 2020 so it does not apply to the March employees' tax returns due this week. There also appears to be no relief as regards to VAT payments so please ensure those due now are paid on time.

All of the above measures will only apply to registered taxpayers whose affairs are in order and all returns and tax liabilities are up to date.