

Revenue Services Lesotho

Employees' Tax / Pay As You Earn (PAYE) Return



**Revenue
Services
Lesotho**

THIS FORM IS TO BE FILLED BY EMPLOYERS

EMPLOYEES' TAX / PAY AS YOU EARN (PAYE) RETURN

Please read the notes on the reverse as you complete this Form. You are also required to fill in a Final Deduction System Monthly Reconciliation Form and attach it to this Form.

TIN	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	-	<input type="text"/>
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Employer's Registered Name	<input type="text"/>
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Physical Address	<input type="text"/>
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Postal Address	<input type="text"/>
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Town/District	<input type="text"/>
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RETURN PERIOD		NUMBER OF EMPLOYEES AT:	
MONTH	YEAR	Beginning of the Month	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

<i>See Note 2</i>	REMUNERATION <i>(Salaries, Wages, Allowances & Other Employment based Payments)</i>	AMOUNT <i>(in Maloti)</i>
	A. Total Salaries & Wages <i>(from which PAYE was deducted)</i>	<input type="text"/>
	B. Total Salaries & Wages <i>(from which there was no PAYE deducted)</i>	<input type="text"/>
	C. Total Salaries & Wages (A+B)	<input type="text"/>
	D. Total Allowances Paid	<input type="text"/>
	E. Terminal Benefits <i>(see note 3)</i>	<input type="text"/>
	F. Total Bonus/13 th Cheque/Commission Paid	<input type="text"/>
	G. Overtime/Leave/Supplementary/Strike Payments/etc.	<input type="text"/>
	H. Indirect/Other Payments	<input type="text"/>
	I. Gross Remuneration (C+D+E+F+G+H)	<input type="text"/>

<i>See Note 4</i>	EXEMPTIONS AND DEDUCTIONS	
	J. Exemptions	<input type="text"/>
	K. Pension Contributions (Employer and Self-provided)	<input type="text"/>
	L. Other Deductions from Employment Income	<input type="text"/>
	M. Total Deductions (J+K+L)	<input type="text"/>

TAX CALCULATIONS		
	N. Total Taxable Income (I-M)	<input type="text"/>
	O. Total Tax Payable (PAYE)	<input type="text"/>

DECLARATION

I declare that the information in this return is true and correct in every respect. I understand that false declarations can result into prosecution and imposition of penalties.

Name in Full	<input type="text"/>	Signature	<input type="text"/>	Contact Number	<input type="text"/>
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NOTES

1. Example of PAYE Computation

PAYE is calculated in terms of sections 2 and 3 of the Income Tax (Monetary Amounts) (Amendment) Regulation, 2012 as follows:

NARRATION	PER MONTH:	PER ANNUM:	REMARKS
First Excess	M5, 620.00	M67, 440.00	Taxed @ 20%
Total Tax Charged	M.....	M.....	Taxed @ 30%
Less Tax Credit	(M880.00)	(M10, 560.00)	Add the two tax bands together
Tax due (PAYE)	M.....	M.....	(Less Tax Credit) PAYE Due

For detailed computations, you can access Tax Tables or Tax Calculator at www.rsl.org.ls.

2. Remuneration

Employment income includes (but not limited to) basic salary, wages, bonus, 13th cheque, commission, overtime, leave, supplementary and strike payments, allowances, indirect payments and any other employment related income.

3. Terminal Benefits

These refer to gross amount of gratuity payment, severance payment and/or superannuation fund payments.

4. Exemptions and Deductions

a) Exemptions:

This may include exempt terminal benefits as per the tax directive from Revenue Services Lesotho (RSL).

b) Pension Contribution (Sections 95 and 96 of Income Tax Act 1993):

A resident employee is entitled to a deduction for a contribution made to an employer and/or to self-provided superannuation fund during the year of assessment. The superannuation fund must first be approved by the RSL for tax purposes. This contribution by the employee should not exceed 20% of the employee's employment income. **Note that the employer's contribution is not considered for purposes of calculating the employee's PAYE.**

c) Employment Income Expenses:

Expenses incurred by an employee in the production of employment income should be deducted from employee's gross employment income. It should be noted however that expenses that are eligible for deductions relate to expenses outlined under regulations 6 to 12 of Income Tax Regulations 1994 and only to the extent as provided for under such Regulations.

5. Penalty for Late Remittances/Filing

Failure to remit within statutory period renders the employer liable to be charged with penalties, and this is 22% per annum compounded monthly or any part of the month as per Legal Notice No. 65 of 2015.

6. Failure to Deduct PAYE

The employer who fails to deduct PAYE is personally liable to pay to the RSL the amount of tax which has not been so deducted. The employer is entitled to recover this amount from the payee (employee) per section 165(1) of the Income Tax Act 1993.

7. Payment of PAYE

PAYE deducted must be remitted to the RSL within fifteen (15) days from the end of the month in which tax was deducted or immediately after deduction as per section 166(1) of the Income Tax Act 1993 together with Regulation 25(a) of the Income Tax Regulations 1994.