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## INTRODUCTION

1. The purpose of this publication is to assist you in understanding the operation UNEMPLOYMENT INSURANCE FUND (UIF) contributions.
2. Volume 1 of this publication came into effect on 1 April 2002.
3. This is a basic guide and not intended for legal reference.
4. Unemployment Insurance Fund (UIF) **payment** enquiries should be made to your local SARS office. Other enquiries relating to UIF should be directed to the UIF office.
5. Any references to sections relate to the Income Tax Act, 1962, and references to paragraphs relate to the Fourth Schedule to the Act. References to the Unemployment Insurance Contributions Act are specifically indicated.

## APPLICATION OF THE INCOME TAX ACT, 1962

<b>1. GENERAL</b>
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<b>Reference to the Act</b>	Section 14 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	<p>The <b>provisions of the Income Tax Act</b> apply to any contribution paid or payable in respect of—</p> <ul style="list-style-type: none"> <li>• the administration thereof;</li> <li>• returns, the production of information, documents or things, enquiries, searches and seizures and evidence on oath;</li> <li>• assessments, objections and appeals;</li> <li>• the payment, recovery or refund of any contribution, interest and penalty;</li> <li>• representative taxpayers and representative employers; etc.</li> </ul>
<b>What is UIF</b>	These are compulsory contributions to fund unemployment benefits. The contributions are collected by SARS with effect from 1 April 2002 and paid over to the Unemployment Fund which is managed by the Unemployment Insurance Commissioner.
<b>Employers paying at UIF</b>	<p>Employers who are not registered with SARS for employees tax and/or skills development levy purposes must pay their monthly contributions directly to the UIF Commissioner.</p> <p>The contribution of 2% of remuneration is payable in equal shares (i.e. 1% each by the employer and the employee).</p>
<b>UIF benefits</b>	<p>UIF benefits include —</p> <ul style="list-style-type: none"> <li>• Unemployment benefits;</li> <li>• Illness benefits;</li> <li>• Maternity benefits;</li> <li>• Adoption benefits; and</li> <li>• Dependants' benefits.</li> </ul>
<b>UIF contributor DATABAS</b>	An electronic database will be created by the UIF office to maintain details of each contributor. This will ensure an improvement in the time taken to process claims and will eliminate the potential for fraudulent claims.

## 2. EMPLOYER

<b>Reference to the Act</b>	Paragraph 1 of the Fourth Schedule, definition: “employer” & “representative employer” Section 1 of the Unemployment Insurance Contributions Act, definition: “employer”
<b>Meaning</b>	Any person who pays or is liable to pay a person an amount by way of remuneration including a person responsible for the payment of an amount by way of remuneration to a person under the provisions of a law or out of public funds or out of funds voted by Parliament or a Provincial Council.
<b>Representative employer</b>	A representative employer is any public officer, liquidator, judicial manager, manager, secretary, officer, guardian, curator, administrator or other person having authority to pay remuneration on behalf of an employer.  <b>Note:</b> The representative employer is not relieved from any liability, responsibility or duty of the employer and is therefore, subject to the same duties, responsibilities and liabilities as the employer.

## 3. REGISTRATION

<b>Reference to the Act</b>	Paragraphs 15(1) and (3) of the Fourth Schedule Section 4, 9 and 10(1) of the Unemployment Insurance Contributions Act
<b>Meaning</b>	An employer must apply for registration with SARS within 14 days after he becomes an employer.
<b>Register for UIF</b>	Where an employer is liable to pay the contribution, the employer must register with SARS or the UIF office (where applicable) for the payment of the contributions.  <b>Register at UIF office (not SARS):</b> The following employers who are not exempt from contributing to the fund, must register at the UIF Commissioner for purposes of contributing to the fund — <ul style="list-style-type: none"> <li>• an employer who is not required to register for employees tax purposes at SARS;</li> <li>• an employer who has not registered voluntarily as an employer for employees tax purposes at SARS;</li> <li>• an employer who is not liable for the payment of Skills Development Levy.</li> </ul> <p>An employer is <b>NOT liable to register for UIF</b> purposes in the following circumstances —</p> <ul style="list-style-type: none"> <li>• an employee and his employer, where such employee is employed by the employer for less than 24 hours a month;</li> <li>• an employee and his employer, where that employee receives remuneration under a learnership agreement registered under the Skills Development Act;</li> <li>• employers and employees in the national and provincial spheres of Government;</li> <li>• an employee and his employer where that employee has entered the Republic for the purposes of carrying out a contract of service, apprenticeship or learnership within the Republic if upon determination thereof the employer is required by law or by the contract of service, apprenticeship or learnership (as the case may be), or by any other agreement or undertaking, to repatriate that person, or if that person is so required to leave the Republic.</li> </ul>
<b>Change of registered details</b>	An employer must inform SARS or the UIF office (where applicable) in writing within 14 days of any change in registered particulars (e.g. change of name, address or when he no longer operates as an employer).
<b>Applicable form</b>	Application to register as an employer at SARS must be made on an EMP 101 form.

#### 4. EMPLOYEE

<b>Reference to the Act</b>	Paragraph 1 of the Fourth Schedule, definition: “employee” Section 1 of the Unemployment Insurance Contributions Act, definition: “employee”
<b>Meaning</b>	An employee for UIF purposes is any natural person who receives any remuneration or to whom remuneration accrues in respect of services rendered or to be rendered by that person but excluding an independent contractor. A director of a private company is also deemed to be an employee.

#### 5. REMUNERATION

<b>Reference to the Act</b>	Paragraph 1 of the Fourth Schedule, definition: “remuneration” Section 1 of the Unemployment Insurance Contributions Act, definition: “remuneration”
<b>Meaning</b>	Any amount of income which is paid or is payable to any person whether in cash or otherwise and whether or not in respect of services rendered.
<b>Examples</b>	<ul style="list-style-type: none"> <li>• salary</li> <li>• fees</li> <li>• bonus</li> <li>• wage</li> <li>• gratuity</li> <li>• pensions</li> <li>• directors remuneration</li> <li>• an amount received or accrued in commutation of amounts due in terms of a contract of employment or service</li> <li>• an amount received or accrued in respect of the relinquishment, termination, loss, repudiation, cancellation or variation of an office or employment or of an appointment</li> <li>• 50% of an allowance paid or advance given to an employee <b>or</b> holder of a public office in respect of the expense of travelling for business purposes (excluding an allowance paid for actual distance travelled for business purposes, at a rate not exceeding the rate per kilometre fixed by the Minister of Finance in the Government Gazette)</li> <li>• 50% of an allowance paid to a holder of a public office</li> <li>• fringe benefits received in terms of the Seventh Schedule to the Income Tax Act</li> <li>• a gratuity received by or accrued to a person from his employer because such person obtained a university degree or diploma or has been successful in an examination</li> <li>• leave encashment</li> <li>• emolument</li> <li>• allowances</li> <li>• commission</li> <li>• annuity</li> <li>• stipend</li> <li>• remuneration for overtime</li> <li>• superannuation allowance</li> <li>• retirement allowance</li> <li>• voluntary awards</li> <li>• restraint of trade payments</li> <li>• lump sum payments</li> </ul>
<b>Excluded</b>	<p>The following are excluded from “remuneration” and consequently no UIF contributions is deductible from such income:</p> <ul style="list-style-type: none"> <li>• Common law independent contractors, but excluding independent contractors who are subject to control or supervision of any person as to the manner in which their duties are performed or as to the hours of work <b>or</b> if the amounts paid or payable to them are payable at regular daily, weekly, monthly or other intervals.</li> <li>• Any pension or allowance in terms of any of the following Acts: <ul style="list-style-type: none"> <li><input type="checkbox"/> Aged Persons Act</li> <li><input type="checkbox"/> Blind Persons Act</li> <li><input type="checkbox"/> Disability Grants Act</li> <li><input type="checkbox"/> Children’s Act</li> </ul> </li> <li>• Amounts paid to an employee to reimburse the employee for actual business expenses incurred (i.e. expenses incurred on behalf of the employer on an agency basis), in the course of employment.</li> <li>• Any allowance or advance in terms of an order of divorce or decree of judicial separation or agreement of separation.</li> </ul>

## 6. PAYMENTS OF UIF CONTRIBUTION

<b>Reference to the Act</b>	Paragraph 2(1), 14(2) and 5(1) of the Fourth Schedule Section 89sex Section 8 and 9 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	The UIF contribution must be paid over to SARS or the UIF office (where applicable) within 7 days after the end of the month during which the amount was deducted. Where the seventh day falls on a Saturday, Sunday or public holiday, the payment must be made not later than the last business day prior to such day.
<b>Applicable form</b>	The prescribed EMP 201 return is automatically supplied by SARS (UF 3 supplied by UIF office) to the employer for payment purposes each month. Should you not receive the return in time for payment, you must attach a note to your payment stating — <ul style="list-style-type: none"> <li>• Name, postal address and contact telephone number of employer;</li> <li>• Reference number of the employer;</li> <li>• Month to which the payment relates (e.g. November 2002);</li> <li>• Amount of the payment enclosed.</li> </ul>
<b>Note</b>	An EMP 201 or UF 3 not received in time by an employer will not be accepted as an excuse for the late payment of UIF contribution.
<b>Important</b>	UIF payment <b>MUST</b> be reflected correctly and separately on the prescribed form in order to avoid the incorrect allocation of these payments and the unnecessary issue of final demands.
<b>Employer responsible for losses</b>	An employer who fails to deduct or withhold the full amount of UIF is personally liable for the shortfall.
<b>Bank payments for SARS registered employers</b>	It is however imperative that <b>EXACTLY</b> the same reference information is provided to ensure that the payments can be identified and correctly allocated upon receipt by SARS. To ensure that the payments are processed correctly, there are two items which are essential – namely, the 19 digit bank payment reference number and the SARS bank account number, both of which are reflected on the EMP 201 return.

## 7. RECORD KEEPING

<b>Reference to the Act</b>	Paragraphs 14(1) and 30(1)(i) of the Fourth Schedule Section 74(1) Section 10 and 14 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	Every employer must keep records in respect of each employee, of remuneration paid and UIF contributions/payments.
<b>Electronic information</b>	Employers who supply the UIF declaration information on an electronic medium or electronically, must also keep their records for the prescribed period.  These records must include any data stored by means of a "computer" as defined in section 1 of the Computer Evidence Act, 1983.
<b>Prescribed period for record keeping</b>	Records must be kept for a period of five years from the date of the last entry and must also be available for inspection purposes by SARS or UIF officials.
<b>Please note</b>	The register must contain personal particulars as well as financial details of each employee.

## 8. ESTIMATED ASSESSMENT

<b>Reference to the Act</b>	Paragraph 12 of the Fourth Schedule Section 14 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	The Commissioner may estimate the amount of UIF due by the employer where the employer fails to deduct or withhold the correct amount of the contribution, or where the employer fails to pay over the contribution deducted or withheld.
<b>Please note</b>	Any estimate of the amount of UIF payable by the employer is subject to objection and appeal.

## 9. PENALTIES AND INTEREST

<b>Reference to the Act</b>	Paragraph 6(1) of the Fourth Schedule Section 89 <i>bis</i> (2) Section 12 and 13 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	Interest at the <b>prescribed rates</b> as well as penalty equal to 10% may be imposed on late payments or outstanding amounts.
<b>Prescribed rate</b>	The rate which has operated since 1 March 2000 is 13%.
<b>UIF additional penalty</b>	An additional penalty not exceeding an amount equal to double the amount of the contribution, or the amount not refundable, or the amount in excess, may be imposed on the employer, where the employer fails to perform any duty imposed upon the employer or does, or omits to do, anything with intent to — <ul style="list-style-type: none"> <li>• evade the payment of any amount of contributions payable by the employer in respect of any employee; or</li> <li>• cause a refund to the employer of any amount of contributions, interest and penalties which is not refundable or is in excess of the amount properly refundable to the employer.</li> </ul>

## 10. EMPLOYEE'S OBLIGATIONS

<b>Reference to the Act</b>	Paragraphs 11B(1) definition: “standard employment”, paragraph 11B(6) and 14(3) of the Fourth Schedule Section 14 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	The employee must supply the following particulars to ensure that the employer's records are correct — <ul style="list-style-type: none"> <li>• Surname and full names;</li> <li>• Address;</li> <li>• Identity number or passport number and date of birth.</li> </ul>

# UNEMPLOYMENT INSURANCE FUND CONTRIBUTIONS (UIF)

## 11. DUTY TO CONTRIBUTE TO THE FUND

<b>Reference to the Act</b>	Section 5 and 6 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	Every employer and employee must on a monthly basis, contribute to the Unemployment Insurance Fund.

<b>Payment of UIF contributions</b>	The contributions must be paid over by the employer to SARS or the UIF Office (whichever is applicable to the particular employer).
<b>Determination of the contribution</b>	<p><b>Employee:</b> The amount of the contribution payable by an employee must be 1% of the remuneration paid to him by his employer.</p> <p><b>Employer:</b> The amount of the contribution payable by the employer in respect of any one of its employees must be equal to 1% of the remuneration paid to that employee.</p> <p>The employer must pay the total contribution of 2% (1% contributed by the employee and 1% contributed by the employer) within the prescribed period.</p>
<b>Threshold for determining the contribution</b>	The amount of the contribution payable by an employee and his employer only applies where the employee's remuneration does not exceed an amount determined from time to time by the Minister of Finance by notice in the Government Gazette.

## 12. AMOUNTS EXCLUDED FROM REMUNERATION FOR UIF PURPOSES

<b>Reference to the Act</b>	Section 1 of the Unemployment Insurance Contributions Act, definition: "remuneration "
<b>Meaning</b>	<p>Remuneration for UIF purposes <b>does not include</b> any amount paid or payable —</p> <ul style="list-style-type: none"> <li>• by way of any pension, superannuation allowance or retiring allowance;</li> <li>• which constitutes an amount contemplated in paragraphs (a), (cA), (d), (e) or (eA) of the definition of gross income; <ul style="list-style-type: none"> <li><input type="checkbox"/> by way of annuity,</li> <li><input type="checkbox"/> as compensation for any restraint of trade,</li> <li><input type="checkbox"/> including any voluntary award received or accrued in respect of the relinquishment, termination, loss, repudiation, cancellation or variation of any office or employment or of any appointment,</li> <li><input type="checkbox"/> lump sum benefits from any pension fund, provident fund or retirement annuity fund,</li> <li><input type="checkbox"/> lump sum benefits from a pension fund (where the rules provide that on retirement a portion of the benefit has to be taken in the form of an annuity, etc.);</li> </ul> </li> <li>• by way of commission.</li> </ul>
<b>Important</b>	The contribution in respect of domestic and seasonal workers and their employers will only apply 12 months after the Act takes effect (from 1 April 2003).

## 13. DEDUCTION OF EMPLOYEE'S CONTRIBUTION

<b>Reference of the Act</b>	Section 7 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	<p>An employer must, on a monthly basis, deduct or withhold the amount of the employee's contribution from the remuneration paid to that employee during that month.</p> <p>Where the remuneration is paid at intervals other than on a monthly basis, the employer must deduct the employee's contributions on such other basis as coincides with the intervals of remuneration paid by the employer to the employee.</p>
<b>Important</b>	<p>The employer <b>may not</b> —</p> <ul style="list-style-type: none"> <li>• deduct amounts that are in excess of the amount of the contribution due by the employee;</li> <li>• seek or receive a fee from the employee for complying with this Act; or</li> <li>• deduct arrear contributions from the employee after the end of the financial year during which it was payable.</li> </ul>
<b>Note</b>	Where the employer fails to deduct the contribution from the employee, the employer is liable for such contribution.

## 14. REFUNDS

<b>Reference to the Act</b>	Section 7(5) & 8(3) of the Unemployment Insurance Contributions Act
<b>Meaning</b>	<p><b>Refund by employer:</b> If it becomes known to the employer that the payment made by the employer in respect of the unemployment insurance contribution was not due or payable, or was in excess of the amount due or payable, the employer <b>MUST</b> refund the employee such amount or excess amount, despite the amount not having been refunded to the employer by the Commissioner or the UIF Commissioner (where applicable).</p> <p><b>Refund by the Commissioner:</b> If the amount of any contribution, interest or penalty paid by the employer was not due or payable, or is in excess of the amount due or payable, such amount, or such excess amount, <b>MUST</b> be refunded to that employer by SARS or the UIF Office (where the employer is register to pay the contribution).</p>

## 15. DUTY OF EMPLOYERS TO PROVIDE PARTICULARS

<b>Reference to the Act</b>	Section 10(2) & 10(3) of the Unemployment Insurance Contributions Act
<b>Meaning</b>	The employer must, before the seventh day of each month, submit to the UIF Office, such information (declaration) relating to its employees, including details relating to the termination and appointment of the employment of any employee.
<b>Note</b>	Irrespective of where the employer is registered for payment (SARS or the UIF Office), the declaration must <b>ONLY</b> be submitted to the UIF Office.
<b>Important</b>	The details of <b>ALL</b> employees on the payroll of an employer are required irrespective of whether they are contributors or not.

## 16. OFFENCES

<b>Reference to the Act</b>	Section 17 of the Unemployment Insurance Contributions Act
<b>Meaning</b>	<p>Any person commits an offence if that person —</p> <ul style="list-style-type: none"> <li>• fails to submit or deliver any statement or other document or thing required to be submitted or delivered by or under this Act;</li> <li>• fails to disclose any information required by or under this Act;</li> <li>• fails to reply to or answer truly and fully any question put to him or her in terms of this Act;</li> <li>• fails to attend and give evidence at any enquiry under this Act where duly required to do so; or</li> <li>• hinders or obstructs any person in carrying out his or her functions in terms of this Act.</li> </ul>
<b>Penal clause</b>	Liable on conviction to a fine or imprisonment for a period not exceeding 12 months, or both a fine and such imprisonment.
<b>Publication of names of offenders</b>	In terms of section 75 of the Income Tax Act, the Commissioner may, notwithstanding the Secrecy provisions contained in the above Act, from time to time publish for general information the particulars relating to any offence committed by any person.

## 17. SPECIFICATIONS OF THE DECLARATION

<b>Introduction</b>	The UIF office will create an electronic UIF contributor database which will contain individual contribution records for each contributor. This will eliminate paper-based operations including the current “Blue Card” system and the potential for fraudulent claims because each claimant can be pre-qualified for benefits even before such claimant reports to the offices of the Unemployment Insurance Fund.
<b>Electronic declarations (e-mail or FTP)</b>	<p>An employer must submit a declaration to UIF office. The employer may elect to submit the declaration in one of two formats, namely —</p> <ul style="list-style-type: none"> <li>• SARS format with code structure; or</li> <li>• Simple Comma Delimited format WITHOUT code structure.</li> </ul> <p>The information supplied in these two submission formats is exactly the same, in other words, the same field length, same sequence of fields, same processing and the same validation rules.</p> <p><b>Important:</b> The only material difference between the two formats will be that where the field is blank it may be omitted from the SARS format along with its associated code, while in the Simple Comma Delimited format an allowance for this field must be made by inserting a comma.</p> <p><b>Note:</b> This declaration information cannot be submitted on electronic media, such as diskettes, CD’s, etc. and may only be submitted as prescribed in the section “Submission of the Declaration”.</p>
<b>Manual declarations</b>	The employer may capture the information electronically on the UIF web-site or he may submit (fax or post) a manual declaration in the prescribed pre-printed format to the UIF office.
<b>Information required</b>	<p>The information required on the declaration is divided into different sections, namely —</p> <ul style="list-style-type: none"> <li>• Creator record;</li> <li>• Employer record; and</li> <li>• Employee record.</li> </ul> <p>The required information as well as the meaning of each column is explained hereunder:</p> <ul style="list-style-type: none"> <li>• <b>Field name</b> — this is the name of the field on the certificate.</li> <li>• <b>Explanation</b> — contains the type of information that must be disclosed on the specific field as well as the format, such as: <ul style="list-style-type: none"> <li>N = Numeric character field;</li> <li>A = Alphanumeric character field;</li> <li>1-120 = Maximum number of characters which may be used in the field.</li> </ul> </li> <li>• <b>Electronic file code</b> — this indicates the specific code for SARS format files which must precede the specified information in the file layout.</li> </ul>
<b>Important</b>	Alphanumeric fields must be specified in double quotes (eg. “abcde .....”) when an electronic file is created.

## 18. VALIDATION RULES APPLICABLE FOR COMMA-DELIMITED FILES

<b>Purpose of validating information</b>	The purpose of validating the information on the declaration is to store all the relevant information on the UIF Database for further processing and to use the relevant information for claim purposes.
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**Rejection policy**

**Level 1 errors:** This is critical information which is incorrect, invalid or omitted. If the critical information is incorrect, invalid or omitted in the “Creator Record”, the whole file will be rejected and the employer/creator will be requested to rectify the errors. If the critical information is incorrect, invalid or omitted in the “Employer Record” or “Employee Detail Record”, the “Employer Record” and ALL the associated “Employee Detail Records” will be rejected and must be resubmitted with the corrections. The balance of the file will still be used.

**Level 2 errors:** This is non-critical data which is incorrect, invalid or omitted. A warning will be e-mailed to the employer/creator informing him of the error with instructions to rectify as soon as possible. The incorrect data will not be written to the UIF Contributor Database but will be stored on a repository for reference purposes. The employee will not be able to claim benefits until the error has been corrected and the data transferred to the UIF Contributor Database.

**CREATOR RECORD (UIF)**

This record will be used to identify the layout of the entire file as well as whether the file is for TEST or PRODUCTION purposes. TEST data is not stored on the UIF Contributor Database. All necessary contact information of the employer will also be obtained from this record.

<i>Field name</i>	<i>Explanation and validation rules</i>	<i>SARS format code</i>
Record type	A4 (fixed characters) – indicates the record type <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Value must be UICR</li> </ul> <b>Level 1 rejection</b>	8000
Format type	A2 (fixed characters) – indicates the format type of the file <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Value may be: U1 = SARS format U2 = Simple Comma Delimited format</li> </ul> <b>Level 1 rejection</b>	8010
UIF creator reference number	A9 (fixed characters) – The UIF reference number of the employer This is the number supplied to Creator on registration to the UIF fund. This is a 8 digit number but should be zero filled to fit the size of the field (i.e. 123456/8 should be indicated as 001234568). <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Entire employer and associated employee records will be rejected if reference number is not a valid UIF reference number (validation against the UIF Employer Database)</li> </ul> <b>Level 1 rejection</b>	8020
TEST / LIVE indicator	A4 (fixed characters) – TEST/LIVE submission indicator <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Value may only be TEST or LIVE and will be rejected if invalid</li> </ul> <b>Level 1 rejection</b>	8030
Contact person’s name	A30 – Name of a contact person in case of rejections/queries <ul style="list-style-type: none"> <li>• Mandatory field</li> </ul> <b>Level 2 rejection</b>	8040
Contact number (telephone)	A16 – Telephone number of the contact person <ul style="list-style-type: none"> <li>• Mandatory field</li> </ul> <b>Level 2 rejection</b>	8050
E-mail address	A50 – E-mail address of the employer <ul style="list-style-type: none"> <li>• Optional field</li> </ul>	8060
Payroll month	N6 – payroll month of the employer (relating to the payment) <ul style="list-style-type: none"> <li>• Mandatory field</li> </ul> <b>Level 2 rejection</b>	8070

**EMPLOYER RECORD (UIF) – comma-delimited with code structure**

<i>Field name</i>	<i>Explanation and validation rules</i>	<i>SARS format code</i>
Record type	A4 (fixed characters) – indicates the record type <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Value must be UIEM</li> </ul> <b>Level 1 rejection</b>	8000
UIF employer reference number	A9 (fixed characters) – The UIF reference number of the employer This is the number supplied to Employer on registration to the UIF fund. This is a 8 digit number but should be zero filled to fit the size of the field (i.e. 123456/8 should be indicated as 001234568). <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Entire employer and associated employee records will be rejected if reference number is not a valid UIF reference number (validation against the UIF Employer Database)</li> </ul> <b>Level 1 rejection</b>	8110
PAYE employer reference number	N10 (fixed characters) – The PAYE reference number of the employer starting with 7 PAYE reference number under which employees tax deducted is paid to SARS (number starts with a “7”) <ul style="list-style-type: none"> <li>• Optional field</li> <li>• Must be a valid PAYE reference number</li> </ul> <i>Note: This field will become mandatory if the employer is liable to pay the contributions to SARS.</i>	8120
Total Gross income	N13.2 (fixed decimals) – sum of all gross taxable income (sum total of value under all code 8210 fields) <ul style="list-style-type: none"> <li>• Mandatory field</li> </ul> <b>Level 2 rejection</b>	8130
Total contribution	N13.2 (fixed decimals) – sum of all UIF contributions (sum total of value under all code 8230 fields) <ul style="list-style-type: none"> <li>• Mandatory field</li> </ul> <b>Level 2 rejection</b>	8140
Total number of employee records for employer	N15 – sum total of all employee’s records for the employer excluding the creator and employer record <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Must be equal to total number of records for the specific employer.</li> </ul> <b>Level 2 rejection</b>	8150

**EMPLOYEE DETAIL RECORD**

<i>Field name</i>	<i>Explanation and validation rules</i>	<i>SARS format code</i>
Record type	A4 (fixed characters) – indicates the record type <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Value must be UIWK</li> </ul> <b>Level 1 rejection</b>	8000
UIF employer reference number	A9 (fixed characters) – The UIF reference number of the employer This is the number supplied to Employer on registration to the UIF fund. This is a 8 digit number but should be zero filled to fit the size of the field (i.e. 123456/8 should be indicated as 001234568). <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• Entire employer and associated employee records will be rejected if reference number is not a valid UIF reference number (validation against the UIF Employer Database)</li> </ul> <b>Level 1 rejection</b>	8110
Identity number of employee	N13 (fixed characters) – Valid 13 digit National ID number of the employee (if individual) <ul style="list-style-type: none"> <li>• Mandatory field and will be rejected if not supplied and field 8120 is empty</li> <li>• Will be rejected if the number is invalid – a simple 13 digit validation will be performed</li> <li>• Must be a valid RSA identity number (bar coded)</li> </ul> <i>If no 13 digit National ID number is available, the numbers in either <b>field 8120(change to 8220) or 8130(change to 8230)</b> must be supplied to enable the Fund to track the contribution payment. These details will be stored repository for later cross referencing purposes and as proof of payment of contributions (without which the employee will NOT be allowed to claim benefits).</i> <b>Level 2 rejection</b>	8200

Other number	A16 – This could be any other number including a passport number, residence permit (temporary or permanent), old ID numbers, etc. <ul style="list-style-type: none"> <li>Optional field but mandatory if field 8110(change to 8200 or 8220) is empty</li> </ul> <b>Level 2 rejection if mandatory</b>	8210
Personnel/clock card/payroll number	A25 - unique number allocated by employer to identify his employees (e.g. payroll number, clock/personnel number). If the employer does not have a unique number system on his payroll, he may allocate any unique number to his employees <ul style="list-style-type: none"> <li>Optional field but mandatory if field 8110(change to 8200) and 8120(change to 8210) is empty</li> </ul> <b>Level 2 rejection if mandatory</b>	8220
Employee surname	A120 – surname of the employee <ul style="list-style-type: none"> <li>Mandatory field</li> </ul> <b>Level 2 rejection</b>	8230
Employee first names	A90 – first names of the employee <ul style="list-style-type: none"> <li>Mandatory field</li> </ul> <b>Level 2 rejection</b>	8240
Employee date of birth	N8 (fixed characters) – date of birth of the employee <ul style="list-style-type: none"> <li>Mandatory field</li> <li>Format: CCYYMMDD</li> <li>Date cannot be greater than current date</li> </ul> <b>Level 2 rejection</b>	8250
Date employed from	N8 (fixed characters) – the first date that the employee started work at the specific employer for the latest period <ul style="list-style-type: none"> <li>Mandatory field</li> <li>Format: CCYYMMDD</li> <li>Must be a valid date and cannot be greater than the value for field 8180</li> </ul> <b>Level 2 rejection</b>	8260
Date employed to	N8 (fixed characters) – this field must be populated if the employee is discharged <ul style="list-style-type: none"> <li>Optional field but mandatory if field 8190 has a value which is not equal to “01”</li> <li>Format: CCYYMMDD</li> <li>Must be a valid date and may not exceed the last date of the following month</li> <li>Cannot be less than the value for field 8170</li> </ul> <b>Level 2 rejection</b>	8270
Employment status	N2 (fixed characters) – indication how the employee’s employment status was terminated <ul style="list-style-type: none"> <li>Optional field but mandatory if field 8180 has a value</li> <li>Value may only be: 01 = Active 02 = Deceased 03 = Retired 04 = Dismissed 05 = Contract expired 06 = Resigned 07 = Constructively dismissed 08 = Employer’s insolvency 09 = Maternity/adoption leave 10 = Illness leave</li> </ul> <b>Level 2 rejection</b>	8280
Reason for non contribution	N2 – this is the reason why the employee does not contribute to the fund <ul style="list-style-type: none"> <li>Optional field unless field 8210, 8220 and 8230 has no value</li> <li>Value may only be: 01 = Temporary employees (less than 24 hours per month) 02 = Learners in terms of the Skills Development Levies Act 03 = Employees in the National or Provincial spheres of Government 04 = Employees who are repatriated at the end of the contract of service 05 = Employees who earn commission only 06 = No income paid for the payroll period 07 = Seasonal workers 08 = Employment companies/non natural entities/corporate entity</li> </ul> <b>Level 2 rejection</b>	8290

Gross taxable income	N13.2 (fixed decimals) - sum total of all taxable income and must be the same as the “Gross remuneration – code 3699” for SARS purposes <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• No negative amounts are allowed and will be rejected if specified</li> </ul> <i>Please note:</i> Non-taxable income, salary sacrifices and employer’s contributions are not part of Gross Remuneration <b>Level 2 rejection</b>	8300
Gross UIF contribution package	N13.2 (fixed decimals) - gross UIF contribution package and equals the salary/remuneration on which the UIF contribution is calculated - under the UIF Bill, the only difference between this code and the SARS code 3699 is the exclusions in terms of the definition of “remuneration”. <ul style="list-style-type: none"> <li>• Mandatory field unless the value in field 8200 is “06”</li> <li>• No negative amounts are allowed and will be rejected if specified</li> </ul> <i>Note:</i> Where the package of the employee exceeds the amount specified on which contributions may be calculated, the employer must only include the actual amount on which the contribution has been calculated. <b>Level 2 rejection</b>	8310
UIF contribution	N13.2 (fixed decimals) – sum of the combined employer and employee contribution in respect of the employee <ul style="list-style-type: none"> <li>• Mandatory field</li> <li>• No negative amounts are allowed and will be rejected if specified</li> </ul> <b>Level 2 rejection</b>	8320
Bank branch code of employee	N8 – the branch code where the employee’s bank account is held <ul style="list-style-type: none"> <li>• Optional field but mandatory if either field 8250 or 8260 is provided</li> <li>• Must be a valid branch code and will be validated against table per ACB</li> </ul> <b>Level 2 rejection</b>	8330
Bank account number of employee	N16 – account number where the employee’s bank account is held <ul style="list-style-type: none"> <li>• Mandatory field if field 8240 is specified</li> </ul> <b>Level 2 rejection</b>	8340
Bank account type of employee	N2 –the type of bank account held by the employee <ul style="list-style-type: none"> <li>• Mandatory field if either field 8240 or 8250 is specified</li> <li>• Must be a valid account type and will be validated against table per ACB</li> <li>• Value may only be: <ul style="list-style-type: none"> <li>1 = Current (Cheque) account</li> <li>2 = Savings account</li> <li>3 = Transmission account</li> <li>4 = Bond account</li> <li>6 = Subscription Share account</li> </ul> </li> </ul> <b>Level 2 rejection</b>	8350

**Important:** With the “Simple Comma-Delimited” format, all the defined information field **MUST** be included in the record **in the sequence as specified** and if no information is available or if it is an optional field, an allowance for such a field must be made by inserting a comma (indication that it presents an empty field, e.g. ,,)

## 19. SUBMISSION OF THE DECLARATION

**Submission frequency:** Employer must make monthly submissions using one of the mechanisms provided, such as —

- E-mail;
- FTP (employer must first register at the UIF Office before using this function);
- Capturing via UIF web-site([www.uif.gov.za](http://www.uif.gov.za));
- Fax; or
- Posting of manual declaration.

**Multiple submissions in one month:** If multiple submissions are made for a given month, the second and subsequent submissions will over ride any previous submission with the same file name.

**Cut-off date:** The accounting cut-off date will be the 7<sup>th</sup> day of each month. This means that the employer’s account for that month will be debited with the amount declared on the latest submission. Any subsequent submission will be construed as for the following month.

## 20. REGISTRATION TO SUBMIT DECLARATIONS ELECTRONICALLY

### Register for purposes of submitting declarations electronically

The applicant must send an e-mail to [registrations@uif.gov.za](mailto:registrations@uif.gov.za) (change to [register@uif.gov.za](mailto:register@uif.gov.za)) with the following details —

- UIF employer's reference number;
- Full Christian names, surname, residential address and identity number of the owner of partners;
- Registration name and number in the case of a company or close corporation;
- E-mail address of contact person; and
- Telephone number of contact person.

**IMPORTANT:** Employers who will be e-mailing their declarations do not have to register with the Fund as EFT users. Should the attachment which you intend to send by e-mail to the Fund, exceed 1MB, you are requested to contact the UIF Helpdesk in order to make special arrangements for the transmission of the e-mail.

## 21. UIF ELECTRONIC DECLARATION SUBMISSION – NAMING CONVENTIONS

### Submission [an attachment to an e-mail (UIF)]

In the case where submissions are made via an attachment to an e-mail, the following rules will apply —

- Attached file must be one of the two approved electronic formats;
- The “Subject” of the e-mail message must be “Declaration”; and
- The name of the attachment must be made up as “uuuuuuuuMMnnnn” (according to the prescribed rules for naming a file).

### Rules for naming a file — uuuuuuuuMMnnnn

**uuuuuuuu** is the UIF reference number of the employer/creator

- This is the number supplied to each employer on registration to the UIF fund and is a number that is always on any correspondence from UIF.
- A Creator is an originator of the Declaration and is the company responsible for sending the information to the fund and who will be responsible for any correspondence and additional requirements that might arise from the fund.
- Each Creator must have a UIF reference number and if any Creator has not registered at the UIF, they will have to do so in order to supply the fund with the required information.

**MM** is the payroll month

- This is a two digit month number, for example, March will be indicated as 03.

**nnnn** is the file number

- This is the number of the file that has been sent for the specific month, i.e. if there is more than one payroll that is run by the employer per month, the file number will increase by one for the next and following payroll(s).
- Each month must start at 0001. (*Must be kept unique if 10 branches are going to submit with the same link*)
- It is important to note that if a file is sent more than once with the same file name, the last file received will be used and it will in effect over ride all previous information from files sent previously.
- If the employer wants to send additions to the file, increase this number and send the second file (with the additions) as an additional file (add on).

### Submission made via FTP (UIF)

In the case where submissions are made via FTP, the following rules will apply —

- Attached file must be one of the two approved electronic formats;
- The name of the file transferred may be of any construction but **MUST** include a version number in instances where a company or organisation makes more than one submission per month (eg. myfile.001 or myfile.002).
- The file must be transferred to the following location on [alg.gov.za](http://alg.gov.za) and the UIF reference number and the specific password for the employer must be entered at [ftp.uif.gov.za](http://ftp.uif.gov.za)

**Important:** The FTP directories will have “Write only” permissions so once a submission has been made, the only way of changing the file content will be to re-submit the entire file, using the same name and version number as the previous submission.

## 22. STANDARDS WHICH MUST BE APPLIED WHEN CREATING ELECTRONIC DECLARATIONS FILES

### INTRODUCTION

Validation tests will be done on all data and the record(s) may be rejected if the validation tests are not passed.

### PRESCRIBED STANDARDS

- A comma-delimited file layout combined with the described code structure must be used for SARS format files and a simple comma-delimited file layout (without code structure) must be used for Simple Comma Delimited files.
- Files must be created in ASCII format.
- All numeric fields with a decimal value must have the decimal point specified. Take note that this is always a point and not a comma.
- All numeric fields with no decimal value must not have the decimal point specified.
- Alphanumeric fields must always be enclosed in double quotes (eg. "abcde.....").
- All fields must always be included in the record for Simple Comma Delimited format files and may be omitted (the information including the associated code) in the SARS format files.
- The first code of each record in the SARS format file and the first record of the Simple Comma Delimited format file may not be preceded by any character (eg. comma, space, etc.).
- Each record must start in a new line. The previous record must be followed by a carriage return character.
- Information which exceeds the specified length of the field is not allowed.

## 23. RECORD LAYOUT FOR ELECTRONIC DECLARATION SUBMISSIONS

**INTRODUCTION:** The file must consist of the specified record types. Please refer to the validation rules in this manual for more detail and description of fields.

### Example of file layout (Electronic Declaration Submission) WITH code structure

```
8000,"UICR",8010,"U1",8020,"001234568",8030,"TEST",8040,"Mr Payroll",8050,"(011) 677-1234",8070,200207,
8000,"UIEM",8110,"001234568",8130,14802.50,8140,296.05,8150,2,
8000,"UIWK",8110,"001234568",8200,6710115105007,8230,"QUEEN",8240,"ANNA",8250,19671011,8260,20020501
,8300,6302.50,8310,6302.50,8320,126.05,
8000,"UIWK",8110,"001234568",8200,6805185007083,8230,"KING",8240,"GEORGE",8250,19680518,8260,20010201
,8300,8500.00,8310,8500.00,8320,170.00,
```

### Example of file layout (Electronic Declaration Submission) WITHOUT code structure

```
"UICR", "001234568", "U2", "TEST", "Mr Payroll", "(011) 677-1234", , 200207,
"UIEM", "001234568", , 14802.50, 296.05, 2,
"UIWK", "001234568", 6710115105007, , , "QUEEN", "ANNA", 19671011, 20020501, , , , 6302.50, 6302.50, 126.05, , , ,
"UIWK", "001234568", 6805185007083, , , "KING", "GEORGE", 19680518, 20010201, , , , 8500.00, 8500.00, 170.00, , , ,
```