

## Adviser Notice 80

**May 2022**

Dear Adviser

### New form available to opt out of the SARS PAYE directive tax rate

Legislative changes affecting Pay-As-You-Earn tax (PAYE) on income received from multiple sources came into effect on 1 March 2022.

The aim of the amendment is to allow for a more accurate monthly PAYE amount to be deducted, thereby preventing situations where clients with more than one source of income end up with a large tax debt payable when submitting their annual tax returns.

SARS is giving annuitants the option to either apply the directive PAYE tax rate provided by them or to opt out of the SARS PAYE directive tax rate. Clients can opt out of the SARS PAYE directive tax rate at any point during the tax year.

### Revised opt-out process

The PAYE rates provided by SARS will be applied where no instruction to the contrary is received. Whilst we previously accepted instructions to opt out of the directive tax rate submitted via email, going forward, clients who choose to opt out of the directive tax rate need to submit this instruction to us by completing and submitting the ['SARS PAYE deduction percentage'](#) form. On receipt of the instruction, we will change the tax rate applied to the client's investment/s, and the amended PAYE tax rate will be applied for future scheduled payments for the remainder of the tax-year.

### Need more information?

If you have any queries, please contact your investment specialist or your dedicated client service team.

Kind regards



**Cindy Tshabalala**  
Head of Client Service