



Payroll Guide

Introduction

Following changes made to section 19(1) of the Income and Non-Monetary Benefits Tax Act (Cap 273) related to Payroll Regulations 2024, businesses with employees must submit the new templates for the payroll withholding statement, simplified payroll withholding statement or the domestic worker payroll withholding statement, as prescribed, to the Seychelles Revenue Commission (SRC).

Purpose

This document in its design, development and implementation is guided by the applicable revenue laws of the Seychelles Revenue Commission (SRC) including the legislation. Should any aspect of this guide be reviewed or is in conflict with the aforementioned, the legislation will take precedence. Businesses having less than 10 employees not paying any exempt emoluments other than the 13th month pay, overtime allowance, and any non-monetary benefits, shall submit to SRC the simplified payroll withholding statement, whilst for those employing domestic workers, the domestic worker payroll withholding statement must be completed and submitted accordingly.

Taxpayers Obligation

The payroll statements available in the download section of the website at www.src.gov.sc must be submitted along with the income tax payment on or before the 23rd of the following applicable month electronically in XML format with the appropriate tax identification number, month and year using the email pit@src.gov.sc until the Commission's Tax Portal is live for online submission and payments.

In line with the law, employers having less than 10 employees or employing only one domestic worker the payroll can also be submitted in person at any SRC offices.

To note, an employer who fails to submit any of the payroll withholding statements within the aforementioned timeframe as specified under the Income and Non-Monetary Benefits Tax (Payroll) Regulations, 2024 will be liable to an amount of additional penalties, interest and charges as specified under section 42 of the Revenue Administration Act (Cap 308).

Important Notice

*All mandatory section highlighted in the payroll withholding statements as mentioned in this guide must have been completed upon submission of the payroll to the Seychelles Revenue Commission.

Details of the Payroll Withholding Statement Form

The sections outlined on the main payroll withholding statement are as follows:

- **Section 1: Employee's Details** – National identity number, employers Seychelles Pension Fund number, employers tax identification number, surname, names start and start and end date of duty, gender, job title, citizenship and applicable rate.
- **Section 2: Details of Emoluments (Taxable emoluments, bonus pay and non-taxable emoluments)** – Salary, management/board/director fees, other taxable emoluments, total taxable emoluments, taxable bonus, overtime, service charge, bonus, gratuity, end of contract, compensation, long service allowance, other non-taxable emoluments and total non-taxable emoluments.
- **Section 3: Employee Tax Calculation – Total emoluments Calculation** including income tax withheld, tax withheld on taxable bonus, net of tax emoluments.
- **Section 4: Non-Monetary Benefits** – Motor vehicle, housing, food, non-mandatory pension and others.
- **Section 5: Total Tax Withheld** covering total income tax, non-monetary benefit tax, non-monetary benefit tax payable on non-mandatory pension and total tax to be remitted to SRC.

Header – Employers Details

The employers detail section is **mandatory** as it enables SRC to associate the payroll with the business account or accounts of the taxpayer in the case where the taxpayer has multiple businesses. The employer must provide his/her business name, national identity number, business registration number if applicable and applicable year and month the payroll is being submitted.

Insert business name or employers name (if business activity is listed under own name).

Insert your national identity number if you are operating your business as a sole trader.

Insert your business registration number as provided by the Office of the Registrar (As applicable).

| | |
|---|--|
|  | |
| Employer Name | |
| National Identity Number (if an individual) | |
| Business Registration Number | |
| Applicable Year | |
| Applicable Month | |

Insert the year the payroll is applicable to. Use the drop down option to select as appropriate.

Insert the month the payroll is applicable to. Use the drop down option to select as appropriate.

This **mandatory** section covers the employees' personal details both residents and non-residents of Seychelles captured through the Gainful Occupational Permit (GOP) and the National Identification Number (NIN). Please note that the NIN should contain 11 digits.

Insert the NIN
for resident or
GOP number
for non-
resident here.

Insert your business tax identification number here and re replicate the same in the space provided based on the number of employees.

Enter the surname and names of your employees here including the date the employee started his/her job within your business. If the employee is no longer employed through your business yet needs to be featured on the payroll add the last working date of the employee in the last column as requested.

Enter the gender identity of the employee.

Define the role of the employee.

Define the nationality of the employee.

Enter the rate being calculated on the employee's salary that is citizen, non-citizen or special rate.

Section 2: Details of Emoluments – Taxable Emoluments including Taxable Bonus Pay

This section captures the emoluments that are taxable under the Income and Non-Monetary Benefits Tax Act of an employed person. An emolument is defined as any cash remuneration received by an employed person be it salary (**mandatory**), allowance, management or directors fee, bonus pay and other taxable emoluments (**as applicable**).

Note the tax levied on personal emoluments of an individual is payable by employees or their employer.

| Details of Emoluments | | | | | |
|--|------------|--------------------------------|--------------------------|--------------------------|--|
| Taxable Emoluments including the taxable Bonus Pay | | | | | |
| Salary | Allowances | Management/Board/Director fees | Other taxable emoluments | Total Taxable Emoluments | Taxable Bonus (> 1/12th annual salary) |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | | | | 0.00 | |
| | 0.00 | 0.00 | 0.00 | 0.00 | |

Enter the full salary of the employee.

Enter the allowances fees being provided to the employee.

Insert any additional feed being received by the employees if the employee seats on payable board committees, management and others.

Insert any other taxable emoluments being paid such as leave pay or any other work condition supplement here.

Insert any other taxable emoluments being paid or any other work condition supplement here. (E.g. Leave pay...etc.)

***Important note – Following** amendments made to the First Schedule of the Income and Non-Monetary Benefits Tax Act please be mindful of the changes made of the new bonus scheme and the taxes payable by an employed person which came into effect on 1 January 2024.

Section 2A: Non-Taxable Emoluments

Exempt Emoluments (Non-Taxable Emoluments) are listed in the Second Schedule of the Income and Non-Monetary Benefits Tax Act. No tax is imposed on exempt emoluments; however, some emoluments are taxable based certain terms and conditions are applicable.

| Overtime | Service Charge | Bonus | Gratuity | End of Contract |
|----------|----------------|-------|----------|-----------------|
| | 0.00 | 0.00 | 0.00 | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Insert the payable amount for extra hours worked here.

Insert the service charge payable to the employee here.

Insert the bonus amount not exceeding the lower of 1/12 of the employed person's annual base salary.

Insert the amount of money received by an employee for their continuous employment.

Insert the amount payable at the end of the employee contract period.

Terms and Conditions

- **Overtime:** An amount of money received for working extra hours. The amount payable is not taxable if it the extra hours worked does not exceed 60 hours per month. If the extra work completed exceed 60hours the overtime payable will be taxed progressively.
- **Service Charge:** An amount added to customer's bill to pay for the service received. This amount is then shared amongst the employees equally. This practice is usually common in the tourism industry of which to apply a scheme must be in place.
- **Bonus:** An amount of money given to an employee as a reward for their good performance once a year under a bonus scheme. As this emolument is subject to certain conditions, please refer to the changes made to the new bonus scheme and the taxes payable by an employed person which came into effect on 1 January, 2024.
- **End of Contract Payment:** An amount of money received after completion of a contract period. Not taxable if it does not exceed 15% of the total salary of the employed person during the contract period.

Section 2A: Non-Taxable Emoluments

| Compensation | Long Service Allowance | Other Non-Taxable Emoluments | Total Non-taxable Emoluments |
|--------------|------------------------|------------------------------|------------------------------|
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |

This amount of money is given by the employer to an employee after he/she resigns or retires from employment.

Paid to an employed person whether in public or private sector for rendering a number of years of service to the extent of the sum specified.

Other non-taxable emolument being provided e.g. gratuity pension, per diem, show allowance and others.

Sum of total taxable emoluments.

Section 3: Employee Tax Calculation

The calculation of income tax on emoluments is based on a progressive regime, with an increase starting from the tax free threshold. This part will be automatically calculated by the payroll template.

| Employee Tax Calculation | | | |
|--------------------------|---------------------|--------------------------------------|-----------------------|
| Total Emoluments | Income Tax Withheld | Income Tax withheld on taxable bonus | Net of Tax Emoluments |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 |

Gross amount of emoluments will display here.

Income tax to be withheld on the emolument will be shown here.

Income tax to be withheld taxable bonus will be shown here.

Remaining amount after tax has been withheld on total emoluments.

Section 4: Non – Monetary Benefits

Non-Monetary Benefits Tax is the tax payable by the employer on any benefit provided to an employed person (an employee) for example accommodation, meals, transport, insurance and others as listed in the Fourth Schedule of the Income and Non-Monetary Benefits Tax Act 2010.

An employer shall be liable to pay tax at the rate of 15% of the value of a non-monetary benefit provided to an employed person and such tax shall be computed in accordance with Schedule 4 of the Income and Non-Monetary Benefit Tax Act in respect of each non-monetary benefit provided to the person employed. The schedule also provides for certain exemptions on benefits.

The taxable value of a non-monetary benefit is reduced to the extent that the benefit is used by the employed person in the performance of the employed person's duties of employment; or by any payment made by the employed person for the benefit.

| Non-Monetary Benefits | | | | | |
|-----------------------|---------|------|-----------------------|-------|-------|
| Motor Vehicle | Housing | Food | Non-mandatory Pension | Other | Total |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| | | | | | 0.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 |

Actual cost incurred on fuel and renting of motor vehicle or where an employer owns a motor vehicle and provision is made for it to be used by the employee, the taxable value will be SCR600 per day.

Rates starting from SCR300 to SCR5,000 based on type of accommodation being provided per employed person per month.

Actual cost incurred by the employer for meals being provided.

Tax applicable on the transaction between the employer and the pension firm

Insurance, utilities, transportation, tuition costs, training fees, entertainment allowance must be captured in other.

Automatic calculation of total tax payable will be displayed here.

Terms and Conditions

- Accommodation/Housing: Tax is exempted on the provision of accommodation for business purposes if the period of the accommodation is three months or less. The provision of

accommodation to an employed person in the construction and tourism sector are also exempted from Non-Monetary Benefits Tax.

- **Food:** The cost incurred in providing meals to an employed person is exempted from Non-Monetary Benefit tax.
- **Non-Mandatory Pension:** Employers will as from January 1, 2024 not be charged the 15% tax currently applicable on non-mandatory (voluntary) and private pension contributions made by an employer, provided these contributions represent less than 8% of the employee's salary. The removal of the 15% tax is to encourage increase in retirement planning and participation in voluntary contributions to pension. Hence, if the pension paid is 8% or less of the basic salary combined with allowances, the tax rate shall remain at 0% whilst any excess shall be taxed at a flat rate of 15%.

Section 5: Non – Total Tax Withheld/ Remitted

| Total Tax Withheld/Remitted | | | | |
|-----------------------------|-----------------------------------|--|----------------|------|
| Income Tax Withheld | Non-Monetary Benefits Tax Payable | Non-Monetary Benefits Tax Payable on non-mandatory pension | Total to Remit | |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Automatic calculation of income tax withheld from non-monetary benefits will be displayed here.

Automatic calculation of non-monetary benefits tax payable will be displayed here.

Automatic calculation of non-monetary benefits tax payable on non-mandatory pension will be displayed here.

Automatic calculation of total tax to be remitted to SRC will be displayed here.

Important Note

In line with the applicable laws, an employer shall, submit a Payroll Withholding Statement, a Simplified Payroll Withholding Statement or a Domestic Worker Payroll Withholding Statement as prescribed in section 3 of the Revenue Administration Act (Cap 308).

Furnishing of Return

All taxpayers having obligations related to payroll withholding statements which is now defined and treated as a return must:

- Furnish a monthly return including a self-assessment return under any revenue law on or before the 21st day of the month in which the return is due in cases where it is furnished in person; or
- On or before the 23rd day of the month in which the return is due in cases where it is furnished through the Seychelles Revenue Commission Tax Portal (once live).

Remittance of Tax

The tax withheld by an employer shall be remitted to the SRC on or before the 21st of the following applicable month if being delivered in person or on or before the 23rd day of the month in cases where it is paid through the Seychelles Revenue Commission Tax Portal (not live yet) or by bank transfer.

Additional Tax for Failure to File Forms

An employer who fails to submit any of the payroll withholding statements, as specified in the Regulations shall be liable to an amount of additional tax specified under section 42 of the Revenue Administration Act (Cap 308).

Conclusion

The Seychelles Revenue Commission (SRC) is strongly encouraging taxpayers to submit their payroll and payment for income tax timely. The information available in this document is intended to be used as a guidance only and is not considered to be a legal reference, nor a replacement of the legislation.

For more information about the contents of this publication:

- Visit the SRC website at www.src.gov.sc
- Email advisory.center@src.gov.sc
- Contact a Provision of Advice Officer on +248 4293737.
- Visit the SRC's office in Victoria, Providence Praslin or La Digue for assistance.