

12 March 2019

Circular To All Employers In The Road Freight And Logistics Industry

RE: BENEFIT FUND TAXATION

As you may be aware, the Income Tax Act, 1962, was amended with effect from 1 March 2019 to clarify that contributions to the various benefit funds operated by the Council (Sick Fund, Holiday Pay Fund, Leave Pay Fund and Wellness Fund) are to be treated as taxable benefits. As per the previous circulars issued by the Council, the obligation rests with the respective employers to make PAYE deductions on the contributions. Benefits payable by the funds will accordingly remain tax-exempt.

Yours Sincerely

National Secretary

(This document has been sent electronically and is therefore not signed)