

**NEWSFLASH** 

# Zimra Tax Table Changes

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**URGENT**

**UPDATED INSTRUCTIONS**

**Dear Client,**

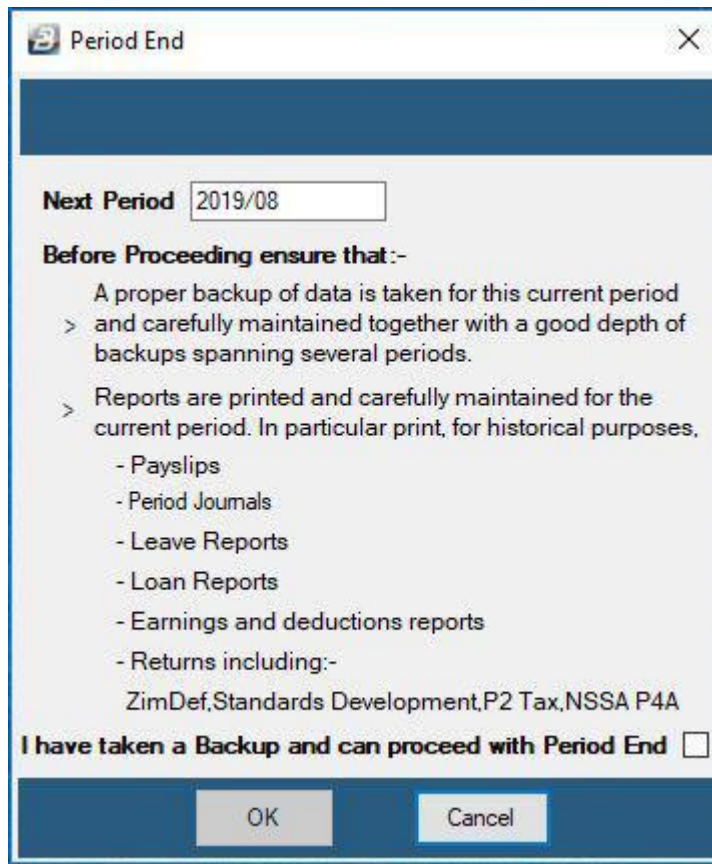
Please note with the introduction of separate tax tables for **USD** and **RTGS**, Zimra have advised that we process the amounts separately not mixed as before.

**NB: Major Changes are on the following areas:**

1. Tax credits now on **\$7,200.00** (ZWL) or **\$720.00** (USD)
2. Deductible pension now **\$18,000.00** (ZWL) and **1,800.00** (USD)
3. Bonus Tax free for USD Payroll **\$100.00**

## Section 1 - Period End

1. **After having finalised your last period for the First Tax Period you can proceed to print any reports you desire to cover the period in question. Remember most reports can be printed afterwards.**
2. Backup **each payroll** onto a reliable media such as External Hard drive, DVD, cloud or any other external media device.
3. Run a period end. This will take you into the 1st period of second tax period starting 01/08/2019.



4. Create Default Tax Table if it does not exist on your system.
  - i. Setup >Tax > New
  - ii. Next to Tax table > click on the eclipse button with **two dots**
  - iii. Check if Default Tax table type is there if not go to step (iv)
  - iv. Click insert, on description enter: 'Default' and click close.
  
5. Set your tax table type as default one to be used in your payroll
  - i. Setup > Global defaults
  - ii. Go under **employee master tab**
  - iii. On tax table type choose 'Default' (For RTGS Payroll) **OR** 'USD' (For USD Payroll)
  - iv. Click Ok.

**NB: This is for any new employees to be engaged on the correct tax table type.**

## Section 2 – Tax Method Convert

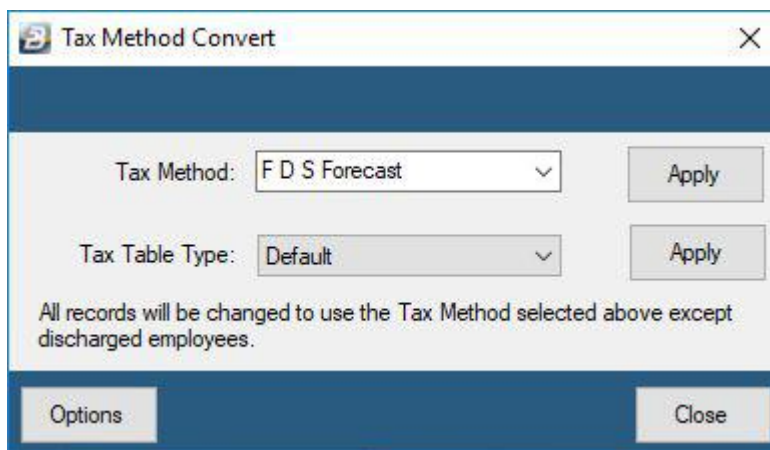
As a precaution we would like to ensure new employees taken on during February to July 2019 that were not on FDS are now correctly converted on to FDS:

**NB: RTGS payrolls we are using Default Tax Table and USD payrolls we use USD Tax Table.**

Depending on the version of Belina running on the machine, the Tax Method Convert will be done in either one of the following options:

### Option A

1. Click on “Data” > “Bulk Routines” > “Tax Method Convert”.
2. Select “FDS Forecast” under “Tax Method”.
3. Select “Default” against the “Tax Table Type” option.



Tax Method Convert

Tax Method: F D S Forecast

Tax Table Type: Default

All records will be changed to use the Tax Method selected above except discharged employees.

4. Click on “Options”.
5. Tick “Use Tagging”.
6. Click on “Employee”.

Range Selection

Period From: 2019/08 ...

To: 2019/08 ...

Cost Centre Department

Grade NEC Grade

Pay Point Bank

Transaction Birth Date

Engaged Discharged

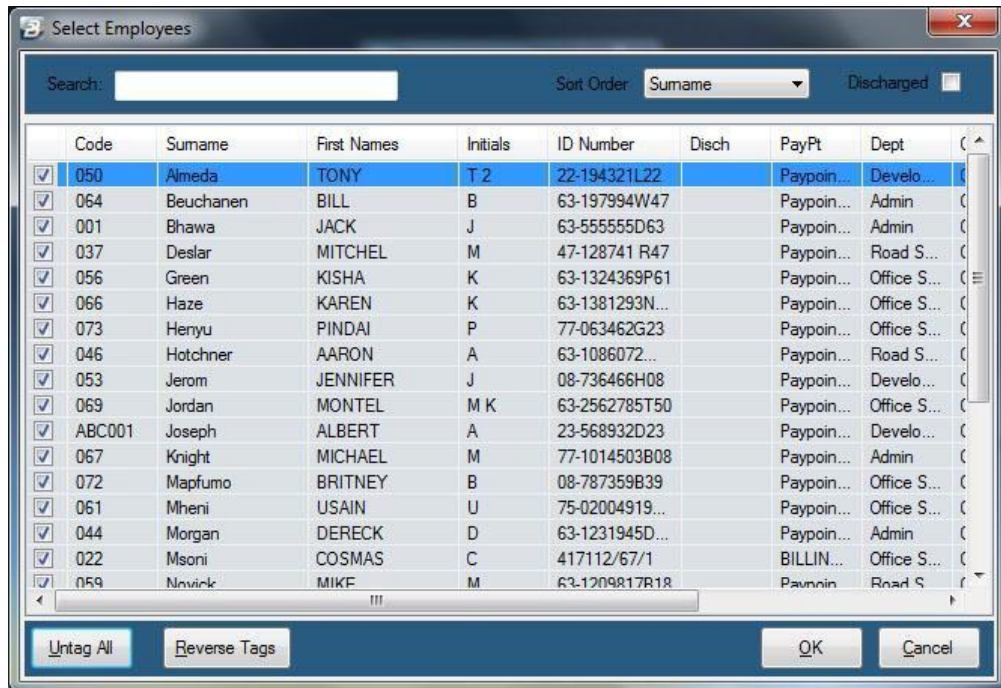
Occupation Position

Employee

Use Tagging

OK Cancel

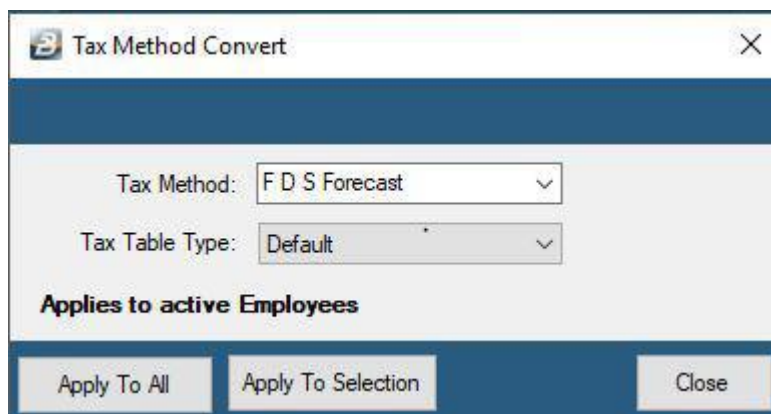
7. Click on "Tag all".
8. Click on "Ok" then "Ok" again.



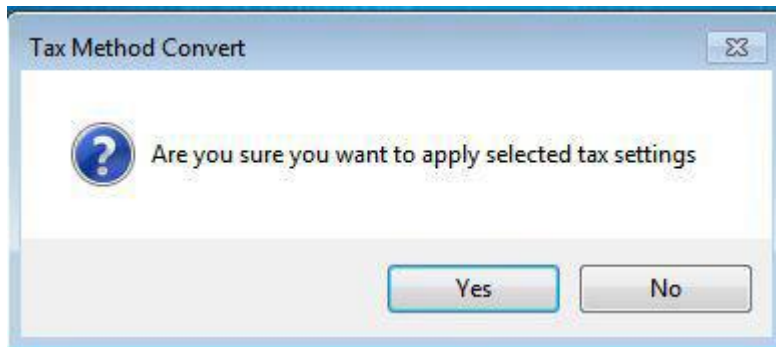
9. Click on "Apply" against the "Tax method" option.
10. Click on "Apply" against the "Tax Table Type" option.
11. Click "Close"

### Option B

1. Click on "Data" > "Bulk Routines" > "Tax Method Convert".
2. Select "FDS Forecast" under "Tax Method".
3. Select "Default" against the "Tax Table Type" option



4. Click on "Apply to All"



5. Click "Yes"



6. Click "Ok" then close.

### Section 3 – Entering the New Tax Bands For RTGS Dollars

1. Go to "Setup" > "Tax" > "New".
2. Change the "Effective Date" to 01/08/2019.
3. Change the "Tax Table" to **Default**.
4. Insert the new tax bands (**Annual**). **Do NOT insert** the monthly tax brackets.

UPPER LIMIT \$	PERCENTAGE %
\$ 8,400.00	0%
\$ 36,000.00	20%
\$ 120,000.00	25%
\$ 240,000.00	30%
\$ 360,000.00	35%
\$ 999,999,999.00	40%

- Insert the Elderly, Disabled and Blind tax credits of **\$7,200.00** each. (NB: The elderly credit has an “Age Lower Limit” of 55 years).
- Medical Credit to **50%**.
- Pension Deductible to **\$18,000.00**.
- NSSA Age Limit is **65** years.
- ‘Loan to’ box - **\$100**; ‘above’ **8.0%** (The percentage is a summation of the LIBOR rate **+5%**.  
(The LIBOR rate for 2018 was just below **3.0%** and hence for 2019 we have taken a conservative approach to use **8.0%** for the loan Benefit percentage.)
- Aids Levy is **3%**.
- The Tax free portion of bonus remains at **\$1,000**.

### Vehicle Benefits

- Insert the vehicle benefits amounts. Please note if you have a weekly and bi-monthly payroll you will need to prorate the records.

Threshold Engine Capacity	Deemed Vehicle Benefit / Month
1500cc	\$ 2,400.00
2000cc	\$ 2,867.00
3000cc	\$ 4,800.00
9999cc	\$ 6,367.00

The RTGS Tax Table should end up looking like:

The screenshot shows the 'Tax Parameters' window with the following settings:

- Effective Date: 01/08/2019
- Tax Table: Default
- Tax Credits table:

Name	Amount
Blind	7,200
Disability	7,200
Elderly	7,200
- Deductible Pension: 18,000
- or: 0.0000 % Emoluments
- NSSA Age Limit: 65 Years
- NSSA Code: 630
- Medical Credits: 50.0000 %
- Tax Levy Aids: 3.0000 %
- Loan Benefit Loan To: 100, 0.0000 % Above: 8.0000 %
- Tax Free Bonus: 1,000 or 0.0000 % Remuneration

Two tables are also visible:

Tax Band Upper Limit	%
8,400	0
36,000	20
120,000	25
240,000	30
360,000	35
9,999,999.999	40

Engine Capacity Limit	Amount
1500cc	2,400
2000cc	2,867
3000cc	4,800
9999999cc	6,367

#### Section 4 – Tax Method Convert – Setup for Companies who are Paying USD 100%

**Setup for Companies who are paying USD 100% is as follows:**

*(Those who have been authorised to pay salaries in US Dollars only)*

- **Change the exchange rate for USD to 1.:** Go to Setup > Currency and update it there.
- **Remove tick on use multi-currency processing:** Go to setup > Global defaults > currency and make changes there.
- **Remove tick on reports in foreign currency:** Go to setup > Global defaults > currency and make changes there.
- **Remove tick on split Paye and net pay by currency proportion:** Go to setup > Global defaults > Currency and make changes there.



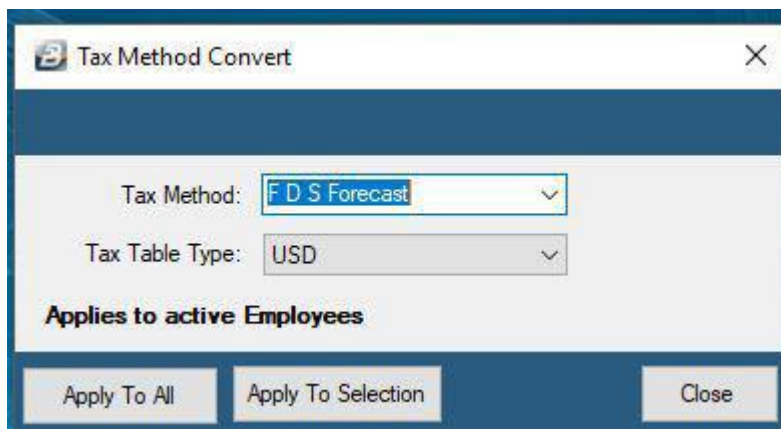
- **Update your basic salary in employee master** as USD amount under your pay details tab.

**As a precaution we would like to ensure new employees taken on during February to July 2019 that were not on FDS are now correctly converted on to FDS:**

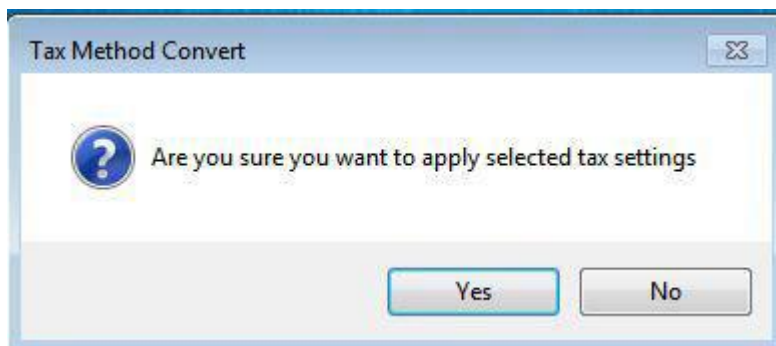
1. Click on “Data” > ” Bulk Routines” > “Tax Method Convert”.
2. Select “FDS Forecast” under “Tax Method”.
3. Select “**USD**” against the “Tax Table Type” option

**NB: If you are using an older version refer to Option A on Section 2 above for the following step**

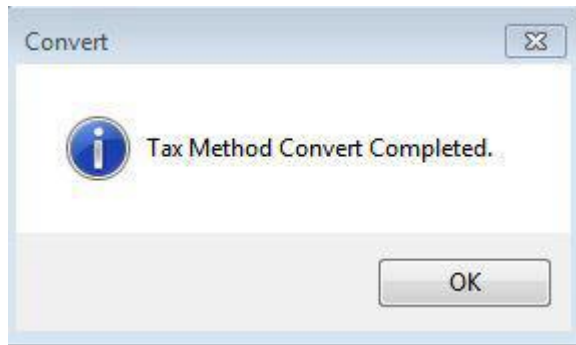
**For USD Dollars**



4. Click on “Apply to All”



5. Click "Yes"



6. Click "Ok" then close

### Section 5 – Entering the New Tax Bands for US Dollars

1. Go to "Setup" > "Tax" > "New".
2. Change the "Effective Date" to 01/08/2019.
3. Change the "Tax Table" to **USD**.
4. Insert the new tax bands (**Annual**). **Do NOT insert** the monthly tax brackets.

	UPPER LIMIT \$	PERCENTAGE %
\$	840.00	0%
\$	3,600.00	20%
\$	12,000.00	25%
\$	24,000.00	30%
\$	36,000.00	35%
\$	999,999,999.00	40%

- Insert the Elderly, Disabled and Blind tax credits of **\$720.00**. (NB: The elderly credit has an "Age Lower Limit" of 55 years).
- Medical Credit to **50%**.
- Pension Deductible to **\$1,800.00**.
- NSSA Age Limit is **65** years.

- 'Loan to' box - **\$100**; 'above' **8.0%** (The percentage is a summation of the LIBOR rate **+5%**.)

(The LIBOR rate for 2018 was just below **3.0%** and hence for 2019 we have taken a conservative approach to use **8.0%** for the loan Benefit percentage.)

- Aids Levy is **3%**.
- The Tax free portion of bonus remains at **\$100.00**.

### Vehicle Benefits

- Insert the vehicle benefits amounts. Please note if you have a weekly and bi-monthly payroll you will need to prorate the records.

Threshold Engine Capacity	Deemed Vehicle Benefit / Month
1500cc	\$ 240.00
2000cc	\$ 287.00
3000cc	\$ 480.00
9999cc	\$ 637.00

The **USD** Tax Table should end up looking like:

**Tax Parameters** [X]

Click the ellipsis button next to Effective date to view other dates setup

Tax Table | Tax Method | P6 Fields | LIBOR Rates

Effective Date: 01/08/2019 ..

Tax Table: USD ..

Tax Band Upper Limit	%
840	0
3,600	20
12,000	25
24,000	30
36,000	35
99,999,999,999	40

Insert Change Delete

Engine Capacity Limit	Amount
1500cc	240
2000cc	287
3000cc	480
9999999cc	637

Insert Change Delete

**Tax Credits**

Name	Amount
Blind	720
Disability	720
Elderly	720

Insert Change Delete

Medical Credits: 50.0000 %

**Deductible**

Pension: 1,800

or: 0.0000 % Emoluments

NSSA Age Limit: 65 Years

NSSA Code: 630 ..

**Tax Levy**

Aids: 3.0000 %

**Loan Benefit**

Loan To: 100 0.0000 % Above: 8.0000 %

**Tax Free**

Bonus: 100 or 0.0000 % Remuneration

Ok Close

Please feel free to contact us on the details provided below for further assistance or information, should you require it.

**Email:** payroll@belina.co.zw  
**Tel:** +263 (08677) 799799 • (08644) 799799  
 +263 (029) 884344 (Bulawayo)

[www.belinapayroll.com](http://www.belinapayroll.com)



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