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Enquires: Ms HB Kumalo  
Ref No. 3/3/1/4

**DEPUTY DIRECTOR-GENERALS**  
**CHIEF DIRECTORS**  
**DIRECTORS**  
**PRINCIPALS OF SCHOOLS**  
**ALL STAFF MEMBERS**

**FINANCE CIRCULAR NO. 03 OF 2022**

**SUBJECT: OVERTAXED ECD SALARY PAYMENTS FOR APRIL AND MAY 2022**

1. Salary payments for ECD Practitioners for April and May 2022 were processed late on PERSAL. This delay led to their salaries being paid as a supplementary payment, which resulted in a deduction of a large amount of tax around **R1 516.40** instead of **R 147** as per tax tables from SARS.
2. The over deduction was also caused by backdated payments of NP Cash allowance from October 2021 to March 2022 and that increased the taxable income for 2023 tax year.
3. PERSAL has since recalculated the tax and will be reducing tax deduction for all affected employees from **R147** to **R10.79** for the remainder of the tax period ending February 2023. This reduction will come into effect as from May 2022 till 28 February 2023.
4. It must be noted that as from March 2023 normal tax deduction will resume as PERSAL would have finished the reduction process.
5. Kindly bring the contents of this circular to all affected officials.

**MR GN NCOBO**

**HEAD OF DEPARTMENT: EDUCATION**

16/5/22

**DATE**