

20/08/2015

Subject: Remittance of Withholding and Rental Taxes to A/C
of National Taxation.

According to Taxation Act 2009, amend to Act 2012, section 94 subsection (1) an employer shall withhold tax from an employee wages for the appropriate payroll and also rental Tax that should be deducted during the payment a cost of rent to the landlord about ten percent (10%) after that it will be remit into National Taxation A/C Number **5501109468** at KCB Aweil branch.

All NGOs who are working in Northern Bahr El Ghazal State are inform to remit withholding Tax of their employees during the payment salary of August 2015 as indicated above and bring pay list of national employees to the office of National Taxation. More information if you have paid this in Headquarters-Juba; please save our office with copy for identification the nature of payment, Finally all Non Governmental Organization in Northern Barh El Ghazal State inside Aweil Town and counties. Attached is a necessary document for clarification.

Your usual cooperation will be highly appreciated.



Thank

Zakaria Akot Majok Akot

Director of National Taxation

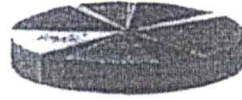
Aweil Office, NBGS

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Republic of South Sudan (RSS)



MINISTRY OF FINANCE & ECONOMIC PLANNING (MOFEP) Director General of Taxation

TO: All NGO's

27 February 2015

SUBJECT: Rental Withholding Tax

This note is a reminder to all NGO's that rent their business premises or rent lodging facilities for their expatriate employees. The Taxation Amendment Act of 2012 established a requirement that all persons that pay rent must withhold 10% of the rental amount from each rental payment made and remit the withheld tax to the Directorate of Taxation each month by the 15th of the following month.

The tax withheld is an advance payment of the income tax on the rental income received by the landlord. The landlord claims the amount withheld on his/her annual income tax return and applies the credit against his/her annual tax liability.

The withholding applies to businesses, NGO's, etc., that rent their business premises and to the rental of heavy equipment, such as used in construction, mineral extraction, petroleum production, etc. The withholding requirement does not apply to individuals that rent a house or room from an individual for short-term transit in South Sudan, even though the landlord still must report the income from those rentals. It does apply, however, to rental of lodging facilities on a longer-term basis, such as for expatriate employees on assignments of more than 14 days.

This tax is not a rental tax that some states may apply to rented properties. It is an amount to be withheld by the tenant from rents paid – so that, if the business is renting its premises for 2,000/month, the tenant withholds SSP 200 (10 %) and pays that to the Directorate of Taxation and the remaining SSP 1,800 is paid to the landlord. The tenant reports the amount withheld on a monthly withholding tax report (the same report as used for reporting the amount withheld from employee wages). The withheld tax is paid to an authorized commercial bank and a copy of the transaction record provided by the bank is taken to the tax administration along with the tax return, no later than the 15th day of the following month.

More information on rental withholding tax can be found on the Ministry of Finance website under the Directorate of Taxation. Interested businesses may visit the Directorate of Taxation offices in Hai Malakia opposite Keen Rokon. Your cooperation in complying with these requirements is appreciated.



Albino Chol Thiik
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