

# 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 15<sup>th</sup> 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 15<sup>th</sup> 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, or interested businesses may visit the Directorate of Taxation offices in Hai Malakia opposite Green Rokon. Your cooperation in complying with these requirements is appreciated.



**Albino Chol Thiik**  
**Director General of Taxation**  
**Directorate of Taxation**  
**Ministry of Finance and Economic Planning**  
**MoFEP/RSS - Juba**

