

HR Services – Scope of Work

U.S. Embassy requires a payroll consultant that can do fortnightly tax calculations for employees based in Pretoria, Johannesburg, Durban and Cape Town, one fortnight in arrears. The payroll is administered by the US Payroll office in Charleston, SC. The US payroll office does however not have the capability to determine South African taxes.

- a. The US Payroll office (in Charleston, SC) will calculate the bi-weekly payroll, i.e. every 2 weeks.
- b. Once they have completed their calculation, a standard report in a fixed, predefined format is sent to the winning candidate/tax consulting company in South Africa.
- c. The winning candidate/tax consulting company will then import these values into a payroll system and do the relevant tax calculations for the individuals.
- d. The winning candidate/tax consulting company will then send a report to the US Payroll office indicating changes to the standard tax field (for increases, changes to medical aid etc.) and the additional tax, which will be a once-off tax adjustment for the employee.
- e. These taxes will then be deducted in the following pay period.
- f. Approximately 3 times a year this process will change – last pay periods in August and February, to adjust for any major pay changes, and tax table changes; and the November pay period in which employee bonuses are received. Those 3 special adjustments will run payroll in “real time.”

The winning candidate/tax consulting company will update the following information on behalf of the US Mission through data input templates populated by the US Mission:

- a. Loading new employees
- b. Loading terminations
- c. Making changes to medical aid dependents
- d. Estimated headcount 750 employees

Monthly administration service:

- a. The winning candidate/tax consulting company will submit and make payment of the US embassy's staff taxes to SARS monthly.
- b. The winning candidate/tax consulting company will develop a tax calculator. Ad-hoc calculation of employee taxes can be done by the US Embassy HR staff making use of this tax calculator to prepare estimates for new staff members.
- c. Consultations may occasionally be necessary prior to the monthly payment to ensure new staff members are added, or certain vital changes made before the SARS monthly payment is made.
- d. Through the proposed fortnightly process additional tax on employee periodic salary increases will automatically be implemented.

THE WINNING CANDIDATE MUST:

- Provide consulting as needed for the following:
 - Tax Updates, including one on one consultations and annual seminars
 - Alerting US Embassy to regulation changes
 - Answering customer questions
- Develop and keep updating a payroll tax calculator
- Annual submissions of IRP5
- **Demonstrate they have the business capacity to process payroll on a fortnightly basis, in time for a start date of 1 August 2021.**