



Physical Address Lesotho Revenue Authority Tel: +266 22313796
Finance House P.O. Box 1085 Fax: +266 22312091
High Court Road Maseru 100 Website: www.lra.org.ls
Lesotho, Southern Africa

Serving You, Serving the Nation

Re Sebeletsa Uena, Re Sebeletsa Sechaba

19th November 2019

Attention all Employers,

GUIDELINES FOR EMPLOYEES TAX REFUNDS

LRA would like to inform the public and all employers that , **the Legal Notice No. 84 of 2019, cited as Income Tax (Amendment of Monetary Amounts) Regulations, 2019** published on the 03rd October 2019, introduces some new changes to the Second Schedule of the Income Tax Act 1993. Accordingly, in terms of the new tax structure, the non-refundable Tax Credit has been increased from **M7 260.00** to **M9 600. 00** per annum with effect from **1 October 2019**. Although the new income tax structure has come to effect from 1st October 2019, the reality is that most employers (if not all of them) may not have been able to effect these changes during the October 2019 payroll. This therefore means that most employees may have paid more tax than tax due for the month of October 2019. Consequently, employees may be on a refund position.

To make a refund payment to the employee who is eligible for a tax refund, employers are advised to offset overpaid tax against each individual employee's tax due for the payroll month ending on the 30th November 2019. Employers who will not be able to effect the changes in November are encouraged to ensure that these are done by 31st December 2019. Please note that employers shall not be allowed to make any more offsetting beyond the month of December 2019.



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Employees whose earnings were between M 3,025.00 and M 4,000.00 for the month of October:

The employers who had employees earning salaries and wages ranging between M 3025.00 and M 4000.00 for month of October 2019, whose earnings were taxed using the old income tax structure are required to submit lists of such employees. The list should show the names of employee in full, basic salary, overtime pay, allowances if any, gross salary, employee's pension contribution (if any), tax (PAYE) already paid (per old tax structure), tax due (per new tax structure), tax due for refund and as well as their banking details. The lists should be sent in an electronic format to enquiries@lra.org.ls, or if you have been assigned an Account Representative, please forward it to them. This requirement is made to facilitate processing of their tax refunds by the LRA timeously. The employers are advised to submit the lists on or before 30th November 2019.

Sincerely

A handwritten signature in blue ink, appearing to read 'Lineo Mathapelo Tseuoa', written over a horizontal line.

Lineo 'Mathapelo Tseuoa
HEAD PRIORITY CLIENT SERVICES