

IRP5 Validation Error:

From 2011 the value of 3810 must be equal to the value of 4474



Background

Validation error populated when running the IRP5/IT3a report from VIP for the Interim reconciliation / Tax Year End reconciliation.

From 2011 the value of 3810 must be equal to the value of 4474

The error message is per employee. IRP5 code 3810 is the perk value that is calculated when an employee has medical aid with the company and the company contributes to the medical aid. The company contribution will reflect on IRP5 code 4474. The YTD+ value on IRP5 code 3810 must be equal to the value of IRP5 code 4474.

To rectify the error, you can follow the steps below:

- This indicates that another definition code (usually on the ED screen) is taxed monthly, however the IRP5 code is 3810
- For example, the client is paying an allowance or cash to an employee for medical aid, but uses the fringe benefit IRP5 code on the ED screen
- Correct the IRP5 code accordingly to the income given to the employee (it must not be 3810, for an allowance you can use 3713)

There should be no tax implications as the taxability of 3810 and 3713 is the same. If you made these changes in your Tax Year End copy system remember to make these changes in your live system as well.