



## SEYCHELLES REVENUE COMMISSION

### **SPECIFIED BUSINESSES- FACT SHEET**

This fact sheet is to be used as a guide or summary of the overall obligations of a business/ employer and for further information you should contact the Seychelles Revenue Commission.

#### **What is a Specified Business?**

- Under the *Business Tax Act 2009* (the Act) certain specified businesses are liable to taxation at source. These businesses relate to specific industries listed in the forth schedule of the Act.
- Like Pay As You Go Instalments (PAYGI), withholding from specified businesses is not a final tax but is used as a credit in calculating the taxpayer's final business tax payable at year's end.
- Specified business withholding replaced the Deduction at Source (DAS) system from 1 January 2010.

#### **What are my Business Tax obligations as a Specified Business?**

- You must be registered for tax purposes
- You must have the current book in your possession when supplying a service
- Fill in the payees section of the form in full and sign it
- Detach the original and duplicate certificate and hand it over to the Paying Business
- You must retain the triplicate in the book for your record
- You must request a replacement book from SRC when the old book is finished
- You must retain the old books for end of year business tax purposes
- You must lodge a Business Tax Return with the Seychelles Revenue Commission by 31 March every year
- You must maintain records detailing all of your business transactions including:
  - Income derived from business
  - Any other business income derived
  - Full details of all operating costs

#### **What happens if I also receive payments from non-business person?**

- You must either :
  - Withhold and remit the amount for yourself by completing the top and bottom part of the certificate

- Attach the duplicate of the certificate with the payment and Business Activity Statement
- Remit all three to the Commissioner Of Revenue
- A receipt of the payment received will be return to you

### **What are my obligations as a Paying Business?**

- You must clarify whether the person you are about to pay is a specified business by referring to the copy of the Fourth Schedule at the back
- If yes, you must complete the second part of the certificate in the Specified Business Book and sign it
- Retain the original and duplicate certificate
- Withhold 5% tax from the gross payment as stated under section 64 (1)
- Remit the withholding amount together with the duplicate certificate and monthly Business Activity Statement (BAS) to the Seychelles Revenue Commission on or before the 21<sup>st</sup> day of the month following the month in which the service was paid for
- Keep the original certificate for your record

### **What happens if I fail to withhold or remit the Withholding amount?**

Failure to withhold and/or remit correctly may result in the imposition of the Late Lodgement penalty, Late Payment Penalty and Incorrect Return Penalty. Where imposed, these penalties will be borne by the payer.

### **What are my Social Security Obligations?**

- You must register as an employer as soon as you employ someone
- Provide full details of all your employee, their NIN, post occupied and monthly earnings
- You can obtain a copy of the employer's guide from the Seychelles Revenue Commission at Ocean Gate House
- You will need to withhold the employee contribution and pay this along with the employer contribution to the Seychelles Revenue Commission cashier at Ocean Gate House on or before the 21<sup>st</sup> day of the month following the month in which the emolument was paid
- You will need to maintain employee records