



NOTICE TO ALL EMPLOYERS

Statutory Amendments to SI 393/93

The National Social Authority would like to advise all employers, labour and the Public of the promulgation of Statutory Instrument (SI) 169 of 2021, which sets out new provisions in the administration of NSSA social security schemes. Itemised below are the new provisions.

1. POBS Insurable earnings ceiling (SI 393/93 Section 11 (3))

The POBS insurable ceiling has been revised from ZWL\$5000 to 75% (seventy-five per cent) of the prevailing previous month's Total Consumption Poverty Line (TCPL) for an average of five persons per household. The national TCPL figures are published by Zimbabwe National Statistics Agency (ZIMSTAT) and are accessible on www.zimstat.co.zw/pdl/. NSSA will in turn publish the monthly insurable earning applicable for each month by the 1st of each month on the NSSA website www.nssa.org.zw. Where the TCPL figure is not available or published, the last published figure remains applicable.

2. Voluntary contribution enrolment. [SI 393/93 Section 16 (2)]

Eligibility criteria for enrolment through voluntary contribution facility has been relaxed to allow any person who contributed for at least 12 months to the scheme and is below 60 years to apply for voluntary contribution within 5 years of ceasing employment.

3. Penalty for non-submission of P4 and alignment of due dates. [SI 393/93 Section 7]

The submission due date for the monthly P4 return has been aligned to the monthly payment date, which is the 10th of each Month. Further to this statutory provision, failure to submit the mandatory returns (P4) by the 10th of each month shall attract a penalty of **ZWL 1 000.00** per day for each day beyond a 90-day grace period up to a maximum of **ZWL 200 000.00**.

4. Under-Declaration of contributions [SI 393/93 Section 12]

In-order to curtail under declaration of contributions section 12 (1) provides that, "Where the basic salary is below the maximum insurable earning threshold, but allowances and other benefits exceed the basic salary by 100%, the allowances and benefits shall be grossed up and deemed to be the salary for purposes of establishing the insurable earning."

5. Foreign Currency Remittances [SI 393/93 Section 11(4)]

Section 11 (4) provides that any person in Zimbabwe who earns remuneration in a currency other than that of Zimbabwe is required to pay his contributions in foreign currency.

(a) For the purposes of applying contribution rates, the income earned in USD should be converted to its equivalent ZWL at the interbank rate prevailing when the income is paid.

(b) If income is denominated in a foreign currency other than the USD, the equivalent amount in USD shall be calculated using the international cross rate of exchange of that currency in USD prevailing on the day the income is paid.

(c) Where an individual earns remuneration in a combination of USD and ZWL, for the purposes of calculating contributions due, the incomes earned shall be treated separately as in (a) and (b) above

6. Penalty for late registration [SI 393/93 Section 4 (2)]

Section 4 (2) (a) provides that, employers of labour should register with NSSA within 30days of commencement of business and any employer who fails to comply shall be guilty of an offence and in addition to the penalty provided for in the Act, pay the general manager a surcharge of **ZWL 10 000.00** per each month of late registration up to a maximum of **ZWL 200 000.00**.

7. Employee Obligation. [SI 393/93 Section 6]

Section 6 provides that, every employee shall provide his employer, on request, with such personal particulars as may be required for the purposes of this notice, and the employee shall be responsible for the accuracy of the particulars so provided.

(a) Every employee to regularly check their member status and any changes not done within 5 years will be considered to be out of time.

(b) Any amendments will be subject to a verification process to establish that the employee was a contributor.

8. Coverage of diplomatic employees [SI 393/93 Section 4 (3)]

In terms of the Vienna Convention Article 33 (3), a diplomatic agent shall be liable to register and contribute for private servants employed under the diplomatic agent who are nationals of or permanently resident in Zimbabwe.