



Payslip Deductions



FOUNDATION



FINANCIAL LITERACY FOR YOUNG ADULTS

Here is an example of a payslip.

You will see that it contains your name and ID number.

It also contains the following:

- **Gross salary:** this is your total salary including any overtime, bonus pay, allowances as well as benefits (cell phone, housing subsidy etc).
- **Deductions:** this includes government deductions, voluntary and contractual deductions.
- **Government deductions:** These are deductions for PAYE tax and UIF. Every person who is formally employed pays 1% (i.e. one Rand for every hundred Rand they earn) to the Unemployment Insurance Fund (UIF). This is a fund that acts as a safety net if you are fired, retrenched or on parental leave. PAYE (or Pay-As-You-Earn tax) is paid over to the government. Everyone who earns more than a certain amount pays tax. This helps pay for things like government schools, roads, government hospitals, clinics and police services throughout the country.
- **Compulsory deductions:** These are amounts that are taken off your salary but pay for your benefits. For example, medical aid or retirement fund contributions and group insurance benefits. If you are a member of a group scheme through your employer, you often do not have a choice about these deductions, they are part of your contract of employment.
- **Voluntary deductions:** These are deductions that YOU have agreed may come off your salary. Union subscriptions fall into this category.
- **Contractual deductions:** These are deductions that the employer has been asked to make, by a court order. These might include maintenance payments, or garnishee orders (now called emolument attachment orders – EAOs).
- **Nett salary:** this is your salary after all deductions have been made.
- **Leave days due:** this is the number of leave days due to you.

Name: Andile MADIBA		ID number 8310280159023	
Date Appointed 5 March 2009		Date 31 March 2019	
Earnings		Deductions	
Basic Salary	R9 720.00	Tax (PAYE)	R797.00
Overtime	R987.00	UIF	R97.20
Sleeping out Allowance	R586.00	Union subscription	R63.00
Meal Allowance	R52.00	Funeral and Death Benefit	R53.25
		Pension	R612.00
		Medical Aid	R950.00
		Maintenance – Ref 99726	R820.00
		Furniture is Us – emolument attachment order	R195.50
Total Earnings	R11 345.00	Total Deductions	R3 587.95
Annual Leave Due	8 Days	Nett Salary	R 7 757.05
Occasional Leave Due	2 Days		

