



## iTax Enhancements and Resolution of Defects for August 2023

### Vol 2

#### a) Post –Deployment Issues Resolved

Following the implementation of Finance Act 2023 changes, the following post-deployment issues were identified and have been resolved.

- **Taxpayer PIN Registration:** As a result of the iTax deployment undertaken on 1<sup>st</sup> August, 2023, the taxpayer registration module was affected leading to inability to apply for new PINs for both Individuals and Non- Individuals. This issue has been resolved.
- **ITR/ITNR Excel Returns Issue:** When filing ITR and ITNR returns with 'Other Sources' of income, the excel return templates required taxpayer to declare certain values in sheet E1\_Investment Allowances' even when it is not applicable. This issue has been resolved

#### b) Finance Act 2023 Changes - Resolution of Identified Defects and Improvements in Functionalities

- **Affordable Housing Levy** - Following the implementation of the Affordable Housing Levy component in the PAYE (P10) return, taxpayers expressed concerns on the declaration of '**Member Number/ID**' in Column 'A' of sheet M (Affordable Housing Levy Dtls) in the return.  
An enhancement has been done to make this column optional.
- **Excise Return** - The Excise return has been updated to amend the rate of Tax for Financial Services - Fees Charged to 20%. Taxpayers are advised to download the updated return when filing. For those who had filed with the erroneous rate of 15%, they will be required to amend the returns using the updated template.
- **Withholding VAT Excel Template – Invoice and Payment Date Issue** - After the implementation of the Finance Act 2023 Changes relating to Withholding VAT declarations, withholding VAT agents reported a challenge where the system demands that 'Invoice Date' and 'Payment Date' should be same date. This bug has been resolved for the withholding VAT template to allow declaration of different invoice dates, but '*Payment Date*' should be of the same date.
- **Withholding VAT Payments:** An identified issue relating to WHVAT payments and ledger entries after effecting the Finance Act 2023 changes has been resolved.
- **VAT 3 Return - Export of Services:** Effective 01/07/2023, exportation of services is now zero rated, hence for all return periods



after 01/07/2023, system will display 'Services' under type of exports in *Sheet D, Section D2* of the VAT return.

- c) **Return Amendments for PAYE returns with NITA and Housing Levy Components** – When a taxpayer is amending a PAYE return, the liability as per the PAYE return will include the housing levy and NITA levy liabilities where applicable being agency revenues already declared and paid, because PAYE return does not have a field to capture these payments. Also the housing levy and NITA levy PRNs should not be claimed under payments credits sheet of the PAYE return. However, only the PAYE incremental liability will be posted to the PAYE ledger on amendment.
- d) **Ongoing Enhancements and Clarifications on Housing Levy**  
The following enhancements to support the collection of Housing Levy are underway, and further details will be communicated immediately the process is completed.
- (i) Enhancement to allow for editing of Housing Levy Liability details (i.e. Amount to be Paid) upwards when generating a PRN, to accommodate employees with no PINS;
  - (ii) Enhancement to enable employers with no PAYE Obligation to generate PRNs and Pay Housing Levy. This has been implemented for NITA Levy from April 2023
  - (iii) Other Housing Levy Changes related to; employers with branches, tax representatives, modifying housing levy details for multiple amendments and option to pay late payment penalties. Communication will be shared when the solutions are delivered and rolled out.

**Note:** For all employers experiencing error of '*No liability found for the selected tax obligation*' or '*Please note that you have not filed the Housing Levy return for the selected period kindly file the selected period PAYE return along with the details of Housing Levy*', they need to first ascertain if the payment slip for housing levy has already been registered and reprint/download the payment slip to proceed with the payments process.