



FOR PSA MEMBERS: **GENERAL PUBLIC SERVICE SECTORAL BARGAINING COUNCIL (GPSSBC) – DEPARTMENTS OF AGRICULTURE and LAND REFORM AND RURAL DEVELOPMENT**

17-12-2025

Feedback: Taxation of employees - outcome of Joint Council Task Team engagement

A Joint Council Task Team for the Department of Agriculture (DOA) and the Department of Land Reform and Rural Development (DLRRD) convened on 15 December 2025, in line with a resolution taken at a previous meeting. National Treasury was invited to provide clarity on reported changes in the taxation of affected employees. Organised labour raised concerns that, following the transfer of employees from one department to another, a number of employees experienced an increase in their tax deductions. In response, National Treasury explained that the increased taxation may be linked to the way some employees had structured their recurring tax arrangements, particularly in relation to their service bonus. Where transfers occur between departments, *pro rata* adjustments may not automatically be affected.

National Treasury further explained that during the NMOG process, the recurring tax profiles of employees cannot be transferred from one department to another in terms of SARS requirements. Any excess tax deducted can only be recovered when the affected employee submits an annual tax return, should it be established that over-deduction has occurred. Organised labour expressed disappointment with this explanation and enquired whether there were alternative mechanisms through which the employer could assist affected employees, especially given that the transfers were employer-initiated and that employees were not warned of potential tax implications. The employer responded that consultations during the NMOG process were objective and transparent, and that there was no intention of withholding relevant information. The employer indicated that the change in taxation affecting certain employees should not cast doubt on the integrity of the process. It was proposed that, going forward, such processes should ideally be implemented at the beginning of a financial year to avoid similar challenges. The employer further confirmed that it would not be possible to refund any tax over-deducted from employees, other than through the normal submission of tax returns at the applicable time.

The PSA indicated that it would report back to affected members and receive a further mandate from them on the way forward. A presentation by National Treasury, illustrating the taxation example, is *attached* for reference.

Employees who wish to join the PSA may visit the PSA website or contact their nearest PSA Provincial Office.

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