

## MEMO: COMPENSATION FUND: REGISTRATION

### Part 1

- Date **first employee was employed**. This date must correspond when registered for UIF. The employer **MUST** register within 7 days of the date the first employee was employed. *Employers cannot register with the Compensation Fund if no employees are employed yet.*

### Part 2

- Copy of CIPC Registration certificate i.r.o. Companies / Close Corporations, Trust documents or N.P.O certificates **MUST** be attached.
- Copy of ID-document(s) **MUST** be attached of sole proprietors/owners/partners/directors.
- Power of Attorney and copy of ID of the person who signed it (*If represented by a 3<sup>rd</sup> Party*)
- Tax reference number of the business.

### Part 3

- Give a detailed description of nature of the business activities/farming operations **OR** the goods manufactured/sold **OR** services rendered.
  - **N.B.** the description "**General operations in all aspects**" or "**General trade in all aspects**" is not accepted. Refer to the Classification of Industries.
- **A detailed description could be:**
  - "**Building construction**" or "**Civil engineering construction**" and not only "**Construction**"
  - "**Clothing dealer**" and not only "**Dealer**" or "**Retailers**"
  - Therefore, the description as indicated on the CK1/2 or CM1 + CM29 e.g. "**Trading in all aspects**" is not acceptable. The Compensation Fund needs to know the type of goods that are sold or manufactured or the type of construction that is done.
  - In the case of **labour hire/broker**, indicate the type of industry to which the employees will be hired out, the number of employees in each industry and what their duties would be.
- **Describe the following IF applicable**
  - **Materials** used in the **manufacturing** of goods: e.g. leather, steel, wood etc.
  - Nature, extent and type of construction/erection undertaken:  
e.g. "**Building construction**" or "**Road Construction**" and **not only** "**Construction**"
- **In case of farming indicate nature.**
  - Mark with "X" next to the type of farming and in the case of mixed farming indicates the %.

### Part 5

- This part should only be completed if the employee(s) has/have been employed during the **current assessment year**,
  - (1 March the current year to 28 February next year) or any in-between period within that assessment year.
- If the first employee was employed prior to this period, this part should not be completed. The Return of Earnings document(s) (WA.s 8) for the relevant years must be completed by the employer.

### Part 6

#### DECLARATION BY EMPLOYER OR AUTHORISED PERSON

This part **MUST** be completed, signed and dated.

#### Example: Calculation of Assessment

*Employee's salary (p.a.) x rate / 100*

*R500 000 x 0.42 (Nature of business) / 100*

*R2100*