



RHODES UNIVERSITY

Information and Guidelines in dealing with Foreign Nationals Conducting Work for the University on a Temporary Basis

Guidelines are provided in terms of the following categories of foreign nationals:

1. Students of the university who work at the University and elsewhere;
2. Visiting lecturers for whom all or part of their expenses will be reimbursed and/or those receiving an honorarium and/or those who will be paid a salary/fee for the work performed;
3. Foreigners already in the country who are here on Temporary Residence Permits;
4. Individuals who are foreign nationals who will be performing work on behalf of the University, outside the borders of the Republic of South Africa.

The areas that are covered in this document include:

1. the legal documentation required to allow the individual to conduct work;
2. taxation implications for the individual;
3. other requirements that will assist to minimise risk to the University and facilitate a sound working relationship.

Please take note of the following general information related to the employment and payment of foreign nationals:

1. Offers of employment are to be requested from the Human Resources department in all instances before the individual performs any work, irrespective of the nature of the work or duration of the arrangement. The exception in this instance is students who will be paid from funding from the Student Assistance budget.
2. All payments for work performed are subject to taxation, whether these payments are in cash or kind. Honoraria, gifts and the like are therefore included.
3. All such payments are to be processed through the payroll to ensure that taxation is applied. Payments will not be processed as bursaries.
4. Foreign individuals who work on a consultant basis may not add vat to their invoices;
5. Reimbursement of expenses incurred, where invoices are presented, is not subject to taxation. Neither does taxation apply where subsistence is claimed within the rates advised by SARS from time to time. These rates can be obtained from the Finance department.

1. STUDENTS OF THE UNIVERSITY

Permit: Students of the university are usually here on study permits. In some instances they are in the country on a visitor's permit endorsed to the effect that they will be studying;

Restrictions: In such cases the student may not work for more than 20 hours in total in any academic week. In some cases, a student performs work in various departments and may even perform work outside the University. Every section/department within the University that allows a foreign national to perform work in that department is required to, as far as is reasonably possible, ensure that the combined working hours of that individual do not exceed the limit of 20 hours per week. During the vacation, this restriction falls away.

Taxation: Tax ??????

2. VISITING LECTURERS FOR PERIODS OF 6 MONTHS OR MORE

- 2.1. **Permit:** The visitor is required to apply for a work permit. Such permits are usually only granted under special circumstances and take a long time to be authorised. Details of these requirements are provided in Appendix 1.
- 2.2. **Taxation:** The visitor should be advised to ascertain with his/her own country's taxation authorities to determine the treatment of taxation for the period s/he will be in the Republic of South Africa. Usually, payments of this nature are taxed at 25%. However, there is a treaty in place that provides for non-taxation of individuals from certain countries, where it has been determined which of the two (or more) countries is to be regarded as the "country of preference". Unless a document is received from the taxation authority indicating otherwise, the payments to the individual for work performed, will be taxed at the rate of 25%. Additional information with regard to taxation of foreign nationals can be obtained from the SARS website at: XXXX
- 2.3. **Banking:** It is recommended that the individual open a bank account locally, as the costs involved in transferring payments to overseas bank accounts will be deducted from the nett salary payment.
- 2.4. **Insurance:** Every visitor is required to provide confirmation that s/he has medical cover whilst in the RSA as well as insurance that would cover costs such as the repatriation of the body, should s/he die whilst performing work in the country on behalf of the University.

3. VISITING LECTURERS FOR PERIODS OF LESS THAN 6 MONTHS

3.1. **Permit:** FOREIGNERS WHO ARE VISA EXEMPT FOR 90 DAYS

At port of entry, the visitor is required to present the following information to the immigration officer:

- 3.1.1. A passport valid for not less than 30 days after intended stay in the Republic (**does this make sense??**);
 - 3.1.2. Proof of sufficient funds to maintain the foreigner in the Republic;
 - 3.1.3. A letter from the University confirming the activities to be performed in the Republic as well as the intended duration of the stay (not exceeding 6 months). The university will include a clause in the letter indicating that it remains responsible for the foreigner and to pay all costs should it become necessary to deport the foreigner in future;
 - 3.1.4. Proof of a return ticket
- The visitor will be issued with a visitor's permit, endorsed with the details of the work to be performed.

If the foreigner will be staying in the country in excess of 90 days, at least 30 days prior to expiry of the visitor's permit, the foreigner needs to apply to the Department of Home Affairs for an extended permit. The following additional requirements will now apply:

- 3.1.5. An application form obtainable from the Department of Home Affairs Office (**I could not find the appropriate form on the web**)
- 3.1.6. Administrative fee of R425. The University will reimburse the foreigner if the reason for the extension is related to ongoing employment at the University;
- 3.1.7. A medical certificate of good health;
- 3.1.8. A radiological report;
- 3.1.9. A police clearance certificate from all countries s/he lived in for 12 months or longer since the age of 18 years;
- 3.1.10. If applicable, an offer from the University as per 3.1.3. to extend the period employed. The visitor will be issued with an extended visitor's permit, endorsed with the details of the work to be performed.

FOREIGNERS FROM NON VISA-EXEMPT COUNTRIES

As per 3.1.1 to 3.1.10 above, other than that the foreign national needs to apply for the appropriate visa at the South African Embassy in their country of origin, before proceeding to the RSA:

<http://www.dha.gov.za/documents/bi-84.pdf>

- 3.2. **Taxation:** The visitor should be advised to ascertain with his/her own country's taxation authorities to determine the treatment of taxation for the period s/he will be in the Republic of South Africa. Usually, payments of this nature are taxed at 25%. However, there is a treaty in place that provides for non-taxation of individuals from certain countries, where it has been determined which of the two (or more) countries is to be regarded as the "country of preference". Unless a document is received from the taxation authority indicating otherwise, the payments to the individual for work performed, will be taxed at the rate of 25%. Additional information with regard to taxation of foreign nationals can be obtained from the SARS website at: **XXXX**
- 3.3. **Banking:** It is advisable that the foreigner provides the banking details in typed format due to the danger of the figures being misread. Costs for payments to bank accounts overseas, will be deducted from the nett salary of the individual.
- 3.4. **Insurance:** Every visitor is required to provide confirmation that s/he has medical cover whilst in the RSA as well as insurance that would cover costs such as the repatriation of the body, should s/he die whilst performing work in the country on behalf of the University.

4. FOREIGN NATIONALS PERFORMING WORK OUTSIDE THE BORDERS, ON BEHALF OF THE UNIVERSITY:

- 4.1. **Permit:** If the individual is performing the work in their country of origin, then no permit is required. However, if the foreigner will be working in another country, they will need to be provided with a letter of offer from the University, detailing the work that needs to be done, where the work needs to be conducted and the duration. The foreigner should approach the nearest Embassy of the country s/he intends visiting, in order to determine what requirements should be in place.
- 4.2. **Taxation:** See 3.2 above.
- 4.3. **Banking:** See 3.3. above.

5. FOREIGNERS ON TEMPORARY RESIDENCE PERMITS WHO WISH TO WORK:

- 5.1. **Permit:** The foreigner needs to take the letter of offer of appointment to the nearest Department of Home Affairs who will endorse the permit to indicate that s/he may work, as detailed on the letter.
- 5.2. **Taxation:** ????
- 5.3. **Banking:** The Temporary Resident will be required to open a bank account locally.

HR Administration Manager

Last updated: 9 September 2008

Appendix 1:
Applications for work permits