

**Tax advice on Incentive Travel**

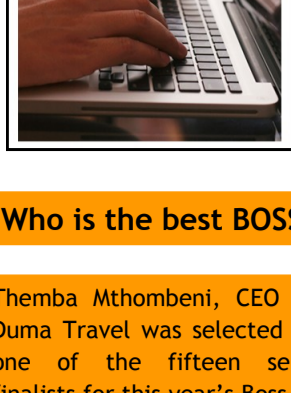
The tax implications of Incentive Programs for employees are one of the many thorny issues companies need to deal with. Under the SA Income Tax Act employers are liable for deducting and paying PAYE to SARS in respect of remuneration paid to employees. In a recent court case a ruling was made that the money value of timeshare points, given to the employee as a reward for services rendered, constituted a fringe benefit and had to be added to the employee's remuneration for PAYE purposes.

**What's the solution?**

If trips are to be excluded from PAYE the company must be able to clearly show that the trip has been undertaken for the benefit of the business. If there is a benefit to the employee the extent that it is coincidental rather than intentional will increase the likelihood of such benefit being accepted by the courts as not being a fringe benefit for PAYE purposes. In addition consider the following guidelines:

- Steer away from labeling trips as Incentive Programs. Link to activities i.e. training sessions, beneficial to the business for developing more highly skilled staff or teambuilding sessions as long as the employer benefits.
- Avoid casual links between performance and attendance
- A trip must be non-optional and should be included in staff development and training plans
- The more relevant the business session to the business and the longer the proportion of time allocated to attending these business session the better
- Business session must be held on the majority of the days with limited relaxation or free time included.
- The trip should be exclusive for employees
- Staff members travelling as part of the organizers will not have to pay tax as long as the purpose of the trip benefited the business and not the individual

**September 2010**



**Who is the best BOSS?**

Themba Mthombeni, CEO of Duma Travel was selected as one of the fifteen semi finalists for this year's Boss of the Year Awards from a record number of country wide nominations.

The award is sponsored by MTN SA Foundation and partners, it recognizes excellence in workplace leadership as seen through the eyes of the people that work for the nominated leader.

Eunice Maluleka head of the MTN SA Foundation feels strongly that "true leaders lead by example" and in her view the award "recognise and develop leaders to engage and mentor future leaders in South Africa."

The overall winner will be announced on 15 October.

**Duma Travel welcomes the DTI EMIA and the Petroleum Agency of SA as new clients and look forward to elegantly navigating the skies for them !**

**General News**

- The Holiday Inn Nairobi will be rebranded as the Southern Sun Mayfair Nairobi.
- There has been no mention removing the UK visa for South Africans but the British government has pledged to improve the local delivery of visa services.
- The Airport Link connection downtown Bangkok airport began its first day of commercial services with trains now running from 06h00 to midnight.
- Airport Company SA has announced that it has reduced baggage theft at OR Thabo to 0.2 cases per 1000 bags during its past financial year.
- A steering committee has been formed to decide the fate of the old Durban International airport, interested parties will be given the opportunity to submit proposals.
- The Brazilian Tourism Institute has launched the "Brazilian Cities Selection" a website to promote international tourism in Brazil ahead of the 2014 Soccer World Cup.

**Airline News**

- The code share agreement between SAA and Qantas has been extended for another year.
- Mango Airlines celebrates its second consecutive year as the most On-time domestic airline across the routes that it operates.
- British Airways passengers worldwide have identified Cape Town as their favourite destination. As of November this year, British Airways will offer a second daily flight between Heathrow and Cape Town.



**Leisure specials September**

**Veranda Palmar Beach Hotel \*\*\* Mauritius**

**Andaman Cannacia Resort and Spa \*\*\* Phuket**

**Protea President Hotel\*\*\*\* Cape Town**

**Top Women Awards**

The finalists for the seventh annual Top Women Awards have been announced. The Awards, in association with Topco and its publication Top Woman in Business and Government, aim to honour South Africa's corporate pioneers and our own Nomvula Mthombeni is one of the five finalists in the category "Top Young Woman Entrepreneur".

Finalists to be announced at the Awards Ceremony on 9 September at the Sandton Convention Centre.

**Executive Wellness: Tips to stop panic attacks while flying**

Flying is statistically one of the safest forms of travelling; even so many travellers cannot help but think of plane crashes before and during a flight. This can trigger panic attack symptoms such as dizziness, shortness of breath, chest pains, feeling weak and excessive perspiration.

Two useful techniques to reduce panic attacks:

- **Controlled breathing** - start by closing your eyes, concentrate on expanding your lungs on each inhale and exhale. Release all the tension in your muscles.
- **Visualisation** - start to visualise a place of tranquil beauty. Immerse yourself in the picture, imagine the sounds and colour, feel the sun on your bare skin. This will slow your breathing, heart rate and clear your mind.

To further reduce anxiety avoid packing on the day and arrive a bit earlier at the airport. Take a MP3 player and listen to or a magazine to read to ensure a stress free flight.

**Mauritius - Veranda Palmar Beach Hotel\*\*\* from R8061 per person**

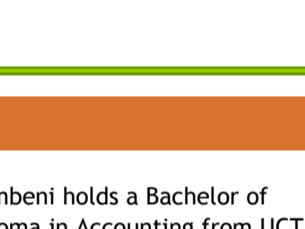
- Economy airfare Johannesburg-Mauritius-Johannesburg
- Return airport transfers
- 7 nights accommodation sharing in a standard twin room
- Breakfast and dinner daily
- Free non-motorized water sport
- All pre-payable airport taxes and current fuel levies



**Valid from 02 October to 30 October 2010**

**Phuket - Andaman Cannacia Resort and Spa\*\*\* from R7944 per person**

- Economy airfare from Johannesburg to Phuket
- Return airport transfers
- 10 nights accommodation sharing in a standard twin room
- Breakfast daily
- Current pre-payable airport taxes and fuel levies
- Price ex Cape Town—R 10 384 per person sharing



**Valid until 30 November 2010**

**Cape Town - Protea President Hotel\*\*\*\* from R 738 per person**

- 2 nights accommodation sharing in a standard twin room
- 4 star luxury Cape Town Hotel
- High season supplements may apply

**Valid from 01 October to 31 January 2011**

**Meet Nomvula Mthombeni the MD of Duma Travel**



Managing Director, Nomvula Mthombeni holds a Bachelor of Commerce and Post Graduate Diploma in Accounting from UCT and is a qualified Chartered Accountant. She has over 15 years of management experience as executive manager and auditor, with hands on experience in financial and IT systems and the development and monitoring of travel policies. She has gained this in some of the largest corporates in South Africa in the financial services, healthcare and energy sectors.

Nomvula is married to Themba with two children.

**Duma Travel - what does it mean when we say ...**

- **Duma Travel is a Corporate Travel Consultancy?**

Duma Travel offers more than the traditional services on offer from a travel agent, it provides companies with a strategic travel consulting service. Corporate Travel is our focus

- **Independent?**

Duma Travel's management is able to make instantaneous decisions regarding all the issues relating to corporate travel without having to refer to external owners or shareholders

- **Is rated as a level 1 (AAA+) contributor?**

Our clients are allowed to claim up to 135% BEE points on their travel spend when applying for their own BEE rating



Duma Travel Johannesburg  
Ground Floor Block A  
85 Protea Road  
Chislehurst  
Sandton

Duma Travel Cape Town  
Level 5, 21C East Wing  
Bella Rosa Office Park  
Durban Road  
Bellville

Tel: 0860 111 667  
Fax: 086 211 3009

Tel: 0860 386 288  
Fax: 021 914 6215

For more information [www.dumatravel.co.za](http://www.dumatravel.co.za)

To remove your name from our mailing list, please [click here](http://www.dumatravel.co.za).

Questions or comments? E-mail us at [tinac@dumatravel.co.za](mailto:tinac@dumatravel.co.za)