



Contractor's questionnaire for an Individual/Sole Proprietor

1. Your name:

2. Are you in possession of a current tax directive? YES NO
If "YES", you do not need to complete this form. Please attach a copy of the tax directive and fill in the necessary HR ad hoc payment forms. See [FG002](#), 3. Payment via HR.

3. Which of the following do you provide to the **University of Cape Town (UCT)**?

3.1. Persons
You do not have to complete this form. Please go to the questionnaire for a Labour Broker.

3.2. A service with a determinable result
Please attach a copy of a signed service agreement, and continue to question 4.

4. Are you a South African resident? YES NO

5. Nature of income / payment regime

5.1. Are your payments based on the following? *Please tick relevant box.*

Basic (fixed amount)	<input type="checkbox"/>
Basic and commission	<input type="checkbox"/>
Commission only	<input type="checkbox"/>
With reference to the results of services rendered or work performed	<input type="checkbox"/>

Please explain briefly

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5.2. Are payments made on an invoice basis? YES NO
 If yes, how are these payments determined, e.g. based on an hourly rate, a monthly or weekly fixed amount, or per task / work / services performed during that period?
Please explain briefly

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6. Supervision and control

6.1. Does UCT determine the following? *Please tick relevant box.*

Your hours of work	<input type="checkbox"/>	The timing and amounts of payment/s to be made	<input type="checkbox"/>
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Please explain briefly

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6.2. Are your activities supervised and / or controlled by UCT? YES NO
Please explain briefly

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Please attach a copy of the latest invoice submitted by you to UCT



6.3. Does UCT provide you with the following? *Please tick relevant box.*

An office		Equipment, tools, stationery and material		Training	
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Please explain briefly

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6.4. Does UCT provide you with any of the following? *Please tick relevant box.*

Pension / Provident fund		Medical Aid		Leave	
Increases		Bonuses		Other	

Please explain briefly

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6.5. Are you personally at risk for the quality of the work done or to be done? YES NO

6.6. Are you permitted to render services to any other employers / clients during the period of service to UCT? YES NO

I declare that the information furnished in this questionnaire is true and correct and undertake to advise UCT within 7 days should any of the answers provided by me above change. I furthermore acknowledge that the information provided above will be used by UCT to determine whether payments to me will be subject to the withholding of employees' tax

Name in block letters

Signature

Date

To be completed by Area Finance Manager or duly delegated senior area finance staff member

Independent? YES NO Refer / complete [Appendix B](#) for assistance

If independent, attach a signed copy of this questionnaire and assessment to the invoice, remembering to keep a copy of such documentation on record.

If dependent, let the contractor complete the relevant HR form ASAP and submit to HR dept before the relevant payroll deadline. See [FG002](#), 3. *Payment via HR.*

Date of assessment:

Name:

Position:

Tel Ext:

Signature:



UCT's guide to the classification of contractors (Extracted from FG002, APPENDIX B – Section 3)

URL: <http://www.uct.ac.za/usr/finance/policies/fg002.pdf>

Individual / Sole Proprietor

<p>1. Does the contractor provide a service to the University of Cape Town or does he / she provide persons? If "PERSONS", please go to the questionnaire for a Labour Broker If "SERVICE", continue to question 2.</p>		
<p>2. Is the contractor resident in South Africa?</p> <ul style="list-style-type: none"> • The term "resident" is defined for purposes of natural persons as: <ul style="list-style-type: none"> - someone who is ordinarily resident in the Republic; or - where the person is not at any stage during the year ordinarily resident, then if the person is physically present in the Republic: <ul style="list-style-type: none"> ➤ for 91 days or more in aggregate during the year of assessment as well as in each of the preceding three years of assessment; and ➤ for a period or periods exceeding 549 days in aggregate during such three preceding years of assessment. <p>The effect of the definition is that someone not ordinarily resident in the Republic can, in terms of the physical presence test, only become a resident in the Republic in the fourth year of assessment, after having been physically present in the Republic for the first time. If "NO", PAYE should be deducted according to the statutory tables. If "YES", read on.</p>	YES	NO
<p>3. Is the contractor subject to control or supervision, either with regard to the manner in which the contractor renders the work or the hours of work? If "YES", PAYE should be deducted according to the statutory tables. If "NO", read on.</p>	YES	NO
<p>4. Does the contractor receive payment for services rendered at regular intervals, regardless of a result or product delivered? If "YES", PAYE should be deducted according to the statutory tables. If "NO", continue to 5 below.</p>	YES	NO
<p>5. Is the dominant impression of the relationship dependent? <i>Please complete the Dominant Impression Test first.</i></p> <p>Where the employer is satisfied that the contractor is neither subject to its control or supervision, nor receives regular payments, it still needs to test the independent status of the contractor in accordance with the dominant impression test. The distinction between independent and dependent service is a matter of degree dependent on the facts and circumstances surrounding every single contractor agreement entered into. One must also remember that the circumstances can change. Should this be the case, the relationship with the contractor has to be re-evaluated in accordance with the dominant impression test. The employer should bear in mind that no single indicator would be decisive, conclusive or determinant of the contractor's status. If "YES", PAYE should be deducted according to the statutory tables. If "NO", no PAYE should be deducted, as the contractor is independent.</p>	YES	NO

Classification of Contractor:		Tax rate to apply:	
Name (in block letters):			
Signature		Date:	

Dominant Impression Test: Individual/Sole Proprietor

	INDICATOR	SUGGESTS DEPENDENT WORKER STATUS	SUGGESTS INDEPENDENT CONTRACTOR STATUS
NEAR CONCLUSIVE Control manner / executive acquisition	Control of manner of working	Employer instructs (has right to) which tools / equipment / staff / raw materials / routines / patents / technology.	Person chooses which tools / equipment / staff / raw materials / routines / patents / technology.
	Payment regime	Payment at <u>regular intervals</u> / by a rate x time-period, but regardless of output or result.	Payment by a rate x time-period but with reference to results, or payment by output.
	Person who must render the service	Person obliged to render service personally, hires & fires only with approval.	Person, as employer, can delegate to, hire & fire own employees, or can subcontract.
	Nature of obligation to work	Person obliged to be present, even if there is no work to be done.	Person only present & performing work if actually required, & chooses to.
	Employer (client) base`	Person bound to an exclusive relationship with one employer. (Particularly for independent business test.)	Person free to build a multiple concurrent client base. (Especially if tries to build client base – advertises etc.)
	Risk / Profit & Loss	Employer bears risk (pays despite poor performance / slow markets). (Particularly for independent business test.)	Person bears risk (bad workmanship, price hikes, time over-runs).
PERSUASIVE Extent of control	Instructions / supervision	Employer instructs on location, what work, sequence of work, etc. or has the right to do so.	Person determines own work, sequence of work, etc. Bound by contract terms, not orders as to what work, where, etc.
	Reports	Control through oral / written reports.	Person not obliged to make reports.
	Training	Employer controls by training the person in the employer's methods.	Worker uses / trains in own methods.
	Productive time (work hours, work week)	Controlled or set by employer or person works full time or substantially so.	At person's discretion.
RELEVANT Labels, clauses, compliance, economic circumstances, "resonant" of	Tools, materials, stationery, etc.	Provided by employer, no contractual requirement that person provides.	Contractually / necessarily provided by person.
	Office/workshop, admin/secretarial, etc.	Provided by employer, no contractual requirements that person provides.	Contractually / necessarily provided by person.
	Integration / usual premises	Employer's usual business premises.	Person's own / leased premises.
	Integration / usual business operations	Person's service critical / integral part of employer's operations.	Person's services are incidental to the employer's operations or success.
	Integration / hierarchy & organogram	Person has a job designation / a position in the employer's hierarchy.	Person designated by profession or trade, no position in the hierarchy.
	Duration of relationship	Open ended / fixed term & renewable, ends on death of worker.	Limited with regard to result, binds business despite worker's death.
	Threat of termination / breach of contract	Employer may dismiss on notice (LRA equity aside), worker may resign at will (BCEA aside).	Employer in breach if it terminates prematurely. Person in breach if fails to deliver product / service.
	Significant investment	Employer finances premises, tools, raw materials, training, etc.	Person finances premises, tools, raw materials, training, etc.
	Employee benefits	Especially if designed to reward loyalty.	Person not eligible for benefits.
	Bona fide expenses or statutory compliance	No business expenses & / or travel expenses reimbursed by employer. Registered with trade / professional association.	Overheads built into contract prices. Registered under tax / labour statutes & with trade / professional association.
	Viability on termination	Obliged to approach an employment agency or labour broker to obtain new work (particularly for independent business test).	Has other clients, continues trading. Was a labour broker or independent contractor prior to this contract
	Industry norms, customs	Militate against independent viability - make it likely person is an employee.	Will promote independent viability - make it likely person is an independent contractor or labour broker