

The SME compliance calendar for 2026/27, and what being late really costs

This paper sets out the deadlines an owner-managed South African business faces over the next 12 months, and shows that paying the South African Revenue Service (SARS) late is the most expensive credit a small business can take.

White paper v1.0

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10 min read

IN SHORT

- An employer that is VAT-registered and a provisional taxpayer faces 12 payroll declarations, six VAT returns, two payroll reconciliations and three provisional payment dates in the next 12 months, before company and CIPC filings.
- Late payment costs a 10% penalty plus interest at 10.25% a year. One month late costs about 10.85% of the amount, which is roughly 130% a year if you treat it as borrowing.
- The penalty is charged once, so a payment one day late costs almost as much as one that is a month late.
- Where a date falls on a weekend or public holiday, SARS uses the last business day before it, so deadlines move earlier, not later.
- The reliable fix is a system with one owner, one calendar and a monthly tax reserve, not better memory.

Why this paper

Most owner-managed businesses treat compliance dates as an admin problem. This paper argues that they are a **cash** problem. Tax is the one bill with a fixed date, a fixed penalty and a lender, the South African Revenue Service (SARS), that will collect without a court order (see our guide to what happens when you cannot pay SARS). A business that misses a date pays for it in rand, and the price is far higher than most owners assume.

We do two things. First, we set out the calendar for the next 12 months in one place, with every date adjusted for weekends and public holidays. Second, we build a simple model of what a late

payment costs, and show what it means in the terms an owner uses for every other financing decision: an annual rate.

1. The calendar, October 2026 to September 2027

Assumptions

The calendar is for a business that:

- employs staff and submits monthly payroll declarations (EMP201);
- is registered for VAT and files on the two-month cycle known as Category B, where periods end in February, April, June, August, October and December;
- is an individual provisional taxpayer with a tax year ending in February; and
- files electronically, through eFiling.

Other VAT categories, other year ends and company taxpayers have different dates. SARS states that where a due date falls on a weekend or public holiday, the applicable date is the last business day before it. We apply that rule throughout, using the South African public holidays in the period.

Every month: payroll

The EMP201 declares and pays PAYE, UIF and SDL for the previous month. It is due by the 7th, or the last business day before it.

Due date	For
Wed 7 Oct 2026	September 2026 payroll
Fri 6 Nov 2026	October 2026 payroll
Mon 7 Dec 2026	November 2026 payroll
Thu 7 Jan 2027	December 2026 payroll
Fri 5 Feb 2027	January 2027 payroll
Fri 5 Mar 2027	February 2027 payroll
Wed 7 Apr 2027	March 2027 payroll
Fri 7 May 2027	April 2027 payroll
Mon 7 Jun 2027	May 2027 payroll
Wed 7 Jul 2027	June 2027 payroll
Fri 6 Aug 2027	July 2027 payroll
Tue 7 Sep 2027	August 2027 payroll

Every second month: VAT

Category B vendors file the VAT201 and pay by the last business day of the month after the period ends, if they file electronically.

VAT period ending	Due date
October 2026	Mon 30 Nov 2026
December 2026	Fri 29 Jan 2027
February 2027	Wed 31 Mar 2027
April 2027	Mon 31 May 2027
June 2027	Fri 30 Jul 2027
August 2027	Thu 30 Sep 2027

Periodic dates

Date	What is due	Who
Fri 30 Oct 2026	Interim payroll reconciliation (EMP501) for March to August. The nominal date of 31 October is a Saturday.	Employers
Fri 26 Feb 2027	Second provisional tax payment. The nominal date of 28 February is a Sunday.	Provisional taxpayers
Thu 29 Apr 2027	Employee tax certificates (IRP5) issued, within 60 days of the year end on 28 February.	Employers
Mon 31 May 2027	Annual payroll reconciliation (EMP501) for the year to February.	Employers
Tue 31 Aug 2027	First provisional tax payment for the next tax year.	Provisional taxpayers
Thu 30 Sep 2027	Optional third (top-up) payment.	Provisional taxpayers

Dates that depend on your own year end

- **Individual tax return (ITR12) for provisional taxpayers:** SARS announces the dates each year, and provisional taxpayers have historically had until late January.
- **Company tax return (ITR14):** due within 12 months of the financial year end.

- **CIPC annual return:** for companies, within 30 business days after the anniversary of incorporation. Close corporations file within the anniversary month, according to secondary sources. The beneficial ownership declaration is filed with it.
- **Compensation Fund return of earnings:** an annual filing, with a window that usually opens on 1 April. Confirm the current window.

2. What being late costs

The rules

- **Late payment penalty of 10%** applies to unpaid PAYE, VAT and tax, on the amount outstanding. SARS states the 10% penalty for late provisional tax payments in its Budget 2026 FAQ. Secondary sources report the same 10% on late EMP201 and VAT payments.
- **Interest of 10.25% a year** applies to late or underpaid tax from 2 March 2026 (SARS).
- **Underestimation of provisional tax** brings a 20% penalty if the second estimate is below 80% of final taxable income (SARS).
- **Late EMP501 reconciliations** attract a penalty of 1% of the employees' tax for each month, up to 10%, according to secondary sources.
- **Late income tax returns** attract administrative penalties of R250 to R16,000 a month, according to secondary sources.

The cost of a late payment

We apply a 10% penalty and simple interest at 10.25% a year to three typical payments.

Payment	1 month late	3 months late	6 months late
EMP201 payment (R50,000)	R5,427 (10.9%)	R6,281 (12.6%)	R7,562 (15.1%)
VAT201 payment (R120,000)	R13,025 (10.9%)	R15,075 (12.6%)	R18,150 (15.1%)
Provisional tax payment (R80,000)	R8,683 (10.9%)	R10,050 (12.6%)	R12,100 (15.1%)



Illustrative cost of a late payment. The 10% penalty arrives at once. Interest at 10.25% a year (simple, for illustration) adds a little more each month.

Reading the result

The penalty is a fixed entry fee. It is charged at 10% whether you are one day late or six months late. The first day costs almost as much as the first month, because 10% arrives at once. A payment made one day late is not a small mistake.

As borrowing, it is extremely expensive. Paying one month late costs 10.85% of the amount. That is 130% a year if the delay were repeated every month. No bank overdraft, supplier terms or short-term loan comes close, which makes SARS the most expensive credit available to a small business. If cash is short on the 7th, borrowing to make the payment is almost always cheaper.

The costs add up. A business that pays a R50,000 payroll declaration late in three months of the year pays about R16,000 in penalties and interest, for money it already owed.

What the model leaves out

- We use simple interest for illustration. SARS charges interest on the outstanding balance, and the exact method should be checked for a real case.
- SARS can remit penalties in limited circumstances. The outcome is not guaranteed and should not be planned on.
- Enforcement, such as a bank collecting the debt from an account, adds disruption that has no simple price.
- The figures for EMP501, income tax return and reconciliation penalties come from secondary sources and should be confirmed with SARS.

3. A system that does not depend on memory

Missed dates are rarely a matter of forgetting. They happen because nobody owns the date and the cash is not there. A compliance system has four parts.

1. **One owner.** One person is responsible for the calendar, and one deputy covers their absence.
2. **One calendar.** Every date in section 1, in a shared diary, with a reminder two weeks and two days before. Check your own VAT category and year end.
3. **A tax reserve.** On every payroll day, transfer the PAYE, UIF and SDL withheld and paid by the employer to a separate savings account. Move VAT collected weekly. When the due date comes, the money is already there. See our guide to improving cash flow.
4. **A pre-submission check.** Before each return, reconcile payroll and VAT to the books. Most disputes with SARS begin with figures that do not tie.

4. Method and limits

The calendar was built from the SARS calendar and the SARS Budget 2026 FAQ, with weekend and public holiday adjustments applied by script for October 2026 to September 2027. Rates, penalties and interest are those in force at the date shown. Secondary sources are labelled as such. The cost model is illustrative and does not replace a calculation for a specific payment.

We welcome corrections. Dates and rules change, and this paper will be updated in a new version when they do.

Version history

Version	Date	Change
1.0	30 September 2026	First release.

Sources and further reading

- SARS Calendar (payroll, VAT, provisional tax dates and the weekend rule), [South African Revenue Service](#)
- Budget 2026 Frequently Asked Questions (interest rates, provisional tax, penalties), [South African Revenue Service](#)
- Key tax deadlines 2026 (late-filing penalty ranges, EMP501 penalty, CIPC dates), [Accounter](#) (secondary source)
- SARS 2026 return submission deadlines, [Bekin Consulting](#) (secondary source)

- SARS, CIPC and payroll compliance calendar for SA SMEs, Capucor (secondary source)

Cite this paper

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