

# CSOS Levy Allocation Drive

NAMA Presentation –  
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# Background on CSOS Levies

- Section 59 of the CSOS Act, 2011 states that every community scheme must pay to the service a levy in the amount as prescribed, subject to such discounts and waivers as CSOS may grant
- Regulation 18(3) of the Regulations to the CSOS Act provides for community schemes to file the registration in Form CS 1, within 30 (thirty) days of –
  - (a) coming into effect of this Regulation; or
  - (b) its date of incorporation in terms of applicable laws.
- Community schemes are provided with a CSOS registration number after the processing of the registration - E.g. CSOS/REG/16/KZN/123456
- The registration number is used as a reference in all the correspondence with CSOS, including the payment of levies
- The collection of levy revenue commenced on 1 January 2017 and the first payments for the collection of levies for the first Quarter was due to CSOS on 31 March 2017.



# Background on CSOS Levies (Cont.)


- The CSOS is listed as a public recipient with FNB, Capitec, ABSA and Standard Bank
- The CSOS levy is due every quarter as follows:
  - 1st quarter: 01 January to 31 March
  - 2nd quarter: 01 April to 30 June
  - 3rd quarter: 01 July to 30 September
  - 4th quarter: 01 October to 31 December
- Levies are allocated to community schemes account using the CSOS registration number
- Community schemes are requested to send POP and levy calculator to [levypayment@csos.org.za](mailto:levypayment@csos.org.za) or [Levyqueries@csos.org.za](mailto:Levyqueries@csos.org.za)
- A Receipt Statement is issued to the community scheme after allocation of the payment received

# CSOS Levy Calculation – Reg 11(3)(a)

- The CSOS levy amount is calculated as follows:

The lesser of:

- $(\text{ADMINISTRATION LEVIES PAID PER UNIT less R500.00}) \times 2\%$ , OR R40 per unit; per month
- The CSOS Levy Calculator is available on the website: <http://www.csos.org.za/regulations.html>
- Click here to go to a standardised and recommended CSOS levy template which can be customised for each scheme



CSOS Levies Calculator:			Scheme CSOS Levy
Unit number	Scheme levy	Unit CSOS levy	R 180.00
1	R 500.00	R -	
2	R 1 000.00	R 10.00	
3	R 1 500.00	R 20.00	
4	R 2 000.00	R 30.00	
5	R 2 500.00	R 40.00	
6	R 3 000.00	R 40.00	
7	R 3 500.00	R 40.00	

Add as many rows as necessary.

Copy this formula into ALL rows.

# CSOS Levy Calculation (Cont.)

- The CSOS levy calculator is used to calculate CSOS levies per month which is then paid over per quarter.
- i.e the amount derived at using the calculator will be multiplied by 3 for each quarter unless there was an admin levy increase during the quarter which would have to be taken into account.

# Levy Collection Challenges

- The CSOS cannot account for levies for all community schemes within the country – qualified audit opinion as a result
- Significant amount of unallocated levies due to the following:
  - Use of incorrect referencing by community schemes, ie. SS Numbers, Schemes names
  - Reference number being cut-off on the bank statement – ie the last two digits get cut off on the csv bank statement, resulting in the inability to allocate
  - Bank generated POPs which do not have community schemes details, which the CSOS cannot trace to community schemes in case of inquiries
- An insignificant amount of community schemes email POPs and levy calculators
- Lack of response from community schemes and managing agents in case of inquiries



# Bank related Matters

- CSOS currently has a challenge with the ABSA public beneficiary function, which does not allow some CSOS reference when making payments to the CSOS.
- The issue is currently being addressed with ABSA
- Our CSOS banking details are as follows:

**Bank:** First National Bank

**Account Number:** 62682595205

**Branch Code:** 200607

**Branch Name:** 4 MERCHANT PLACE 390



# Levy Allocation Drive

- To all scheme registered with the CSOS and have been paying your CSOS levy
- Have you received any payment acknowledgment from the CSOS?
- Have you received a statement receipt reflecting all the levy payments made to the CSOS?
- If No, we do ask that you come forward so we can your payments allocated accordingly.
- **The required information would be:**
  - All proof of payments made to the CSOS and the relevant levy calculators.
  - CSOS registration number
  - Notification of changes within the Schemes Management e.g. Managing agent, Executive committee etc.

# CSOS Billing

- The CSOS does not issue out invoices nor billing statements as yet.
- It is scheme's responsibility to compute levies and make payments.  
(Using the CSOS Levy Calculator)
- The CSOS is in a process of procuring a billing system
- The billing process will be conducted in phases until all the registered schemes have been loaded.

# Annual Returns

- There has been amendments to the new CS2 form also known as the annual returns form.
- The new form is available on the CSOS website
- Annual returns must be submitted as per the new CS2 form.

# Contact details

- Please remember to send all Proof of payments and Levy calculator to [Levypayment@csos.org.za](mailto:Levypayment@csos.org.za)
- Any levy related queries should be forwarded to: [Levyqueries@csos.org.za](mailto:Levyqueries@csos.org.za)
- For Annual returns send them to: [Annualreturn@csos.org.za](mailto:Annualreturn@csos.org.za)



# Questions ?



**Thank you!**

