February 28, 2024

Understanding the Annual Submission Procedure for COIDA compliance

The Compensation for Occupational Injuries and Diseases Act (COIDA) is a crucial aspect in the realm of employer responsibilities, with the annual procedure known as Return of Earnings (ROE) at its core.

In a previous article, we elaborated on *employer requirements for Annual Return of Earnings.* In this article we explore the reasons behind the importance of this annual submission for employers.

What is the Return of Earnings (ROE)?

The Return of Earnings (ROE) is an annual declaration of earnings that employers are required to submit to the Compensation Fund.

It represents the total remuneration paid by an employer to their employees during a specific period.

All employers are compelled by law to register for COIDA within 7 days of employing their first employee. COIDA covers compensation resulting from occupational injuries, illnesses or death during the employee's employment.

What is the COIDA annual submission procedure?

Submission can be made to Workman's Compensation Assurance (WCA), Rand Mutual Assurance (RMA), or Federated Employers Mutual Assurance (FEMA) depending on the employer's industry.

The specified form should include actual earnings from the previous financial year and provisional forecasts for the upcoming year.

What are the COIDA annual submission deadlines?

Employers must follow specific timelines for ROE submissions, with varying deadlines depending on assurance providers.

It is important for employers to be aware that deadlines may be extended in certain situations.

The submission periods are outlined as follows:

- RMA's submission period is between 1 March 2024 to 31 March 2024.
- FEMA's submission period is between 1 March 2024 to 31 March 2024.
- WCA's submission period is between 1 April 2024 to 31 May 2024.

The submission process occurs via the respective online platforms, followed by the assessment of payable amounts and issuing of a Notice of Assessment or Invoice.

Employers that meet the requirements and have paid the assessment fees can request a Letter of Good Standing (LOGS).

What are the consequences of non-compliance?

Ensuring compliance with submission and payment deadlines is crucial for employers.

Failure to meet these timelines may result in penalties, which may include the following:

- **Delayed submission**: Submissions made beyond the specified period results in penalties.
- **Non-submission:** If the required submission is not made, the fund calculates an assessment based on estimated earnings.
- **Delayed payment:** Failure to pay within 30 days results in penalties.
- **Inaccurate information**: Discrepancies in the earnings can trigger an audit or possible assessment revision, necessitating an extensive resolution process.

Employers facing payment challenges can request an instalment plan, involving an initial 20% payment of the amount, accompanied by a request letter.

Approval results in monthly-valid Letters of Good Standing following each instalment. Failure to adhere to the agreed plan terminates the instalment, making the full amount due and impacting future instalment plan requests.

Conclusion

Understanding and adhering to Compensation for Occupational Injuries and Diseases (COID) regulations is a fundamental responsibility. Non-compliance not only carries financial ramifications but also poses a risk to an employer's reputation and credibility.

SERR Synergy assists businesses with a wide range of health and safety services that are committed to full compliance with health and safety regulations. We have a dedicated team of COIDA experts in our Occupational Health and Safety department ready to assist, advise and submit the necessary information to ensure COIDA compliance.

***About the Author*:** Maredi Makgobathe started his journey with SERR Synergy in 2020 as a COID Administrator. He was promoted to COID Coordinator 2021 and is currently working in the Occupational Health and Safety Department as a COID Team Lead. He completed a Business Administrative Programme with SERR. He uses his expertise to lead his team and ensure that all our designated clients comply with the Compensation for Occupational Injuries and Diseases Act.