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19.1 LEARNERSHIP ALLOWANCE – SECTION 12H

Learnership allowance rules have been simplified for years of assessment *ending* on or after 01 January 2010. This is to make the claiming less complicated for employers.

There are now only 2 levels:

1. R30 000 commencement and completion allowances for learnerships and apprenticeships.
2. R50 000 commencement and completion allowances for learners with disabilities.

The principle is straightforward.

- a. For each year that a learner is registered for a learnership linked to the employer's trade, the employer claims an allowance of R30 000 for that learnership. This allowance is based on 12 month periods, and full periods of a month, so if a learnership starts half way through the employer's year of assessment, half of the allowance is claimed by the employer in the first year and half in the second year.
- b. If the learner leaves during the year, there is no recoupment. The R30 000 is merely apportioned for part of the year, so that if the learner leaves after 4 months, the employer only claims 4/12 of the allowance, i.e. R10 000. These must be full months, so if a learner leaves after 3½ months, the allowance must be claimed for 3 months, i.e. $3/12 \times R30\ 000 = R7\ 500$.
- c. Similarly, if a learnership spans 3½ months in the first year of assessment and 8½ months in the second year of assessment of a single employer, the employer claims a commencement allowance of R7 500 in the first year and R20 000 in the second year.
- d. When a learnership is successfully completed, the employer claims an allowance of R30 000 for each completed 12 months of the learnership. So if it was a 2-year learnership, the employer claims an allowance of R60 000. If the learnership was for 30 months, the employer's allowance, in the year of completion, is also R60 000, because two full periods of 12 months have been completed. No completion allowance is claimable until the learnership is successfully completed.
- e. If the learner goes to another employer while he is still doing his learnership and the learnership is carried on, linked to that employer's trade, the new employer claims the learnership for the rest of the year, i.e. $8/12 \times R30\ 000 = R20\ 000$. The new employer will also claim the full completion allowance, even if the learner was not employed by that employer in the earlier years or months of the learnership.
- f. If a learner fails his or her learnership and registers for a new learnership, section 12H will not apply to the new learnership if it contains the same education and training component of the learnership that the person failed.