



SARS Operations, Reporting and eFiling

SAIT Webinar
24 November 2022

YOUR KEY TO THE TAX COMMUNITY

Agenda:

This session will contain a brief overview of SARS Operations, reporting and eFiling including the following aspects:

- Important filing, payment and/or reporting dates
- 2022 SALT Submissions and the year that was.
- What to expect in 2023.

Anchors:

- **Cecile Bothe** – (Consultant at SAIT)

Cecile Bothe is Consulting to SAIT (ex SARS) with 44 years of experience at SARS. Specialises in Income Tax, Provisional tax, Deceased and insolvent estates, Donations Tax and Estate duty.

- **Yolisa Dyasi** – (Tax Technical Consultant at SAIT)

Yolisa is the Tax Technical Consultant at SAIT. She is responsible for management of the SAIT Tax Technical Helpline, SARS escalations and SARS operational submissions.

Important filing, payment and/or reporting dates

Important filing, payment and/or reporting dates

Tax Type	Date	Notification
Value-Added Tax	25/11/2022	Manual VAT201 submissions and payments
Value-Added Tax	30/11/2022	Electronic VAT201 submissions and payments
Employment Taxes	07/12/2022	EMP201 submissions and payments
ALL	09/12/2022	SAIT TaxHelpline Closes for the festive break
Value-Added Tax	23/12/2022	Manual VAT201 submissions and payments
Value-Added Tax	30/12/2022	Electronic VAT201 submissions and payments
Income Tax	30/12/2022	Submission of 2021 ITR14 returns for companies with a December year-end
Income Tax	30/12/2022	1st provisional (2023) submissions and payments for companies with a June year-end
Income Tax	30/12/2022	2nd provisional (2022) submissions and payments for companies with a December year-end
Income Tax	30/12/2022	3rd provisional (2022) payments for companies with a June year-end

Important filing, payment and/or reporting dates

Tax Type	Date	Notification
Employment Taxes	06/01/2023	EMP201 submissions and payments
ALL	16/01/2023	SAIT TaxHelpline reopens
Income Tax	23/01/2023	Submission due date for 2022 income tax returns for individuals and trusts that are provisional taxpayers
Value-Added Tax	25/01/2023	Manual VAT201 submissions and payments
Value-Added Tax	31/01/2023	Electronic VAT201 submissions and payments



2022 SAIT Submissions and the year that was.

2022 Submission

	Brief description	Status
(1) Change in the TCS Letter	<p>Generic notices were issued by SARS to taxpayers and tax practitioners stating: “The taxpayers’ Tax Compliance Status (TCS) will change if it is not remedied within 14 days”.</p> <ul style="list-style-type: none">- Administrative costs- Negative impact on the tax practitioner-taxpayer relationship	Resolved with an amendment to the notice
(2) SOQS Submission History	<p>Taxpayers and tax practitioner would be adamant that all the required documents were submitted to SARS. However, without the evidence required through the ‘history’ functionality, the taxpayer or tax practitioner would have no recourse and would simply need to re-submit the service requests. This would in turn cause extensive delays in the successfully finalisation of service cases.</p>	Ongoing

2022 Submission

Brief description		
(3) SARS Call centre and call back functionality.	<p>SARS contact centre Amongst others, the challenges experienced are:</p> <ol style="list-style-type: none">1. Extremely high call volumes;2. Long call waiting times; and3. Calls being prematurely cut before getting through to a call centre agent. <p>Call-back functionality</p> <ol style="list-style-type: none">1. In certain instances, a pre-recorded message would inform the tax practitioner that the call-back functionality is not available.2. In instances where a call-back was triggered, no call back occurred.	Contact centre remains congested but the call back functionality is operational.
(4) Registration of multiple testamentary trusts	A practical workaround where multiple testamentary trusts fail the registration validation rules to enable the trustees of the trusts to register the trusts for income tax purposes.	Resolved with a work around

2022 Submission

	Brief description	Status
(5) PR Issues for passport holders	<p>Several foreign individuals were unable as obtain a practice number (PR number) using their passport numbers in lieu of a South African identity number (ID number).</p> <p>These technical challenges are impacting these individuals' ability to practice and derive an income.</p>	Resolved. All potential tax practitioners were successfully registered with SARS
(6) Trust provisional tax status	<p>SARS was requested to clarify the rules applicable to the provisional tax status of a trust to enable trustees and mandated tax practitioners to comply with the provisional tax and annual filing season obligations.</p>	Resolved

2022 Submission

	Brief description	Status
(7) Incorrect rejection of RFC	<ul style="list-style-type: none">• The taxpayer/practitioner submits the edited return (e.g., claiming a travel allowance). The original return in this instance does not match the underlying auto-assessment (AA) return.• However, somehow SARS engine is flagging certain edited returns as a duplicate and is not processing the changes.	Resolved (Some revised returns were referred for manual intervention)
(8) Cessation of South African tax residency	<ol style="list-style-type: none">1. Tax returns erroneously not pre-populated2. Reporting process and pre-population3. Lack of consistency in SARS' processes	Ongoing (Joint submission underway)

2022 Submission

	Brief description	Status
(9) Error in new verification letters	<i>"If you fail to submit the supporting documents on or before the due date an adjusted assessment will be completed and you will not be able to object or appeal this assessment".</i>	Resolved (New process was clarified and amendment of the letter underway)
(10) Summary of matters affecting Filing Season 2022	<ul style="list-style-type: none">• Extending the Filing Season 2022 deadlines• Trusts submission deadline unclear• 2022 Tax return fails to recognise the date taxpayers cease SA tax residency• Change in process when taxpayers do not respond to a request for verification• No SARS response on request for extension to submit revised return• Auto-assessment: Apparent differences in processes in the SARS system for taxpayers that need to request an extension	

2022 RCB Forum Submissions

	Brief description	Status
(1) SARS TP Contact Centre	At the 28 July National meeting, SARS introduced a proposal to discontinue the tax practitioner contact centre service and replace it with additional online capabilities.	Ongoing
(2) VAT form Improvement	<ul style="list-style-type: none">• Adjustment to Input VAT• Correction of amounts 'overpaid' in prior periods• Removal of diesel rebate from the VAT201 form• Donations received are not catered for on the VAT201 return• Simplifying submission for small businesses• Process to correct an error in the VAT201 form• SARS auditing old periods• Repeated audits on the same vendor, yielding no adjustments each period	Ongoing

2022 RCB Forum Submissions

	Brief description	Status
(3) Section 18A(2B) Audit Certificates	Concern 1 – Persons issuing the “audit certificate” Concern 2 – Registered auditors and international standards Concern 3 – “Audit certificate” requirements	Ongoing – Issue 2 of the draft IN was published for comment on 13 September 2022.

What to expect in 2023

Tax Directive Enhancements

- Implementation during December 2022 – Based on IBIR-006 version 6.4.01
- More legal changes and other enhancement
- RCBs were requested to assist with testing
- Affects mainly retirement funds

Estates Enhancements

New interface between SARS and Home Affairs

- Customer satisfaction survey issued due by 25 November 2022
- Previously, tax practitioner would get direct access the post death registration.
- Now, the Executor must grant access to the second tax number.
- Future plans - interface with the Master's office.

Tax Compliance Status

- Combine 'good standing' and 'tender'
- Indicate 'new taxpayer' because of lack of compliance history
- Include crypto trading
- Provide specific reasons when a TCS is declined
- Changes will be implemented in phases with the first happening in December 2022.

Enhancements to eBooking system

- Possibility for multiple booking on a single PR-number.
- Tax Practitioners can make appointments with ANY branch in the country (exception Gauteng North - Only TPU)

Travellers and Traders passport

SARS will launch a pilot implementation of an electronic on-line portal for travellers at the King Shaka International Airport during November 2022.

The pilot programme will allow travellers to make declarations (regarding goods purchased, received, or otherwise acquired) on a voluntary basis via an on-line portal on their mobile devices, ahead of their arrival or departure to/from South Africa.

A traveller that does not make use of the on-line facility, would still have to declare the information in paper form or electronically at self-service counters at the terminals or with a Customs Officer on a held device.

The declaration is therefore mandatory, since travellers are by law required to make certain declarations of goods and cash on entering or leaving South Africa in terms of the Customs and Excise Act, No. 91 of 1964.

Implementation of Third Party Data

Section 18A donations

- The requirements in respect of section 18A donations were accepted.

IT3(d) File Structure						
Description	Condition rule	Unique Number	I3T Unique Number > links to > Unique Number	Relational link	Section identifier	Section type
SUBMISSION FILE HEADER (Person doing actual submission)	Mandatory Record 1:1	-	-	-	Header	GH
SUBMITTING ENTITY (e.g. Tax Practitioner, Individual, Company or general entity that works with a power of attorney etc)	Mandatory Record 1:1	-	-	-	Header	SE
REPORTING ENTITY: Section 18A Approved Entity / Donation Recipient (Usually non-profit organisation or Trust - cannot be an Individual)	Mandatory Record 1: ∞	Field 304	-	-	Body	RE
DONOR ENTITY	Conditional Record: If Null Declaration = N Then one or more records must be provided (1:∞), Else If Null Declaration = Y Then No record must be provided (0:0)	Field 404	Field 406 > links to > Field 304	Links to: REPORTING ENTITY (RE)	Body	DE
DONATION RECORD (e.g. monthly donations one receipt for year, or money + physical goods)	Conditional Record: For each Donor Entity record there should be 1:∞ Donation record(s) supplied	Field 504	Field 506 > links to > Field 404	Links to: DONOR ENTITY (DE)	Body	DR
FILE TRAILER	Mandatory Record 1:1	-	-	-	Trailer	T



Thank you