



# SARS Operations, Reporting and eFiling

SAIT Webinar  
28 July 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
- Current challenges in the SARS operational space
- New procedures, systems and SARS implementations
- Relevant legislative interpretation and new legislation and/or regulation
- New matters affecting the tax practice management
- HOT TOPIC.

## **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	29/07/2022	Electronic <b>VAT201</b> submissions and payments
Employment Taxes	05/08/2022	<b>EMP201</b> submissions and payments
Value-Added Tax	25/08/2022	Manual <b>VAT201</b> submissions and payments
Value-Added Tax	31/08/2022	Electronic <b>VAT201</b> submissions and payments
Income Tax	31/08/2022	<b>1<sup>st</sup> provisional (2023)</b> submissions and payments for individuals, trusts and companies with a February year-end
Turnover Tax	31/08/2022	<b>1<sup>st</sup> (2023)</b> payments for micro businesses registered for turnover tax



# Current challenges in the SARS operational space

# Current challenges in the SARS operational space

- **New! eFiling system extremely slow and unresponsive**

From 1 July 2022, taxpayers and tax practitioners experienced difficulties accessing the eFiling platform.

On 4 July 2022, the SARS eFiling support team confirmed that, due to high traffic volumes on the system since the commencement of the filing season, the eFiling system was unresponsive to all users.

On Tuesday, 5 July 2022, SARS performed maintenance on the system and these issues were subsequently resolved.

# Current challenges in the SARS operational space

- **New! SARS contact centre experiencing high call volumes**
- SARS announced that the SARS contact centre has been experiencing high call volumes.
- Taxpayers and tax practitioners are encouraged to utilise alternative digital channels when engaging with SARS.



# New procedures, systems and SARS implementations

# New procedures, systems and SARS implementations

- **Declaration of the cessation of SA Tax residency**

The option to indicate the cessation of South African tax residency on an ITR12 individual income tax return has been removed.

The [Declaration form](#) must be completed and submitted together with the supporting documents via [eFiling](#) or the SARS online query system ([SOQS](#)).

If a taxpayer ceased to be a South African tax resident and the information has been made available and accepted by SARS, the date on which the taxpayer ceased to be a resident will be pre-populated on the ITR12 income tax return





# Relevant legislative interpretation and new legislation and/or regulation

# Relevant legislative interpretation and new legislation and/or regulation

- **Section 13quat** – extension of the sunset date of the incentive by another two years to 31 March 2023
- **Section 12J 3 (c)** – Clarifying administrative provisions of Venture Capital Companies (VCC) tax incentive regime. Code 4054 will be limited to the deduction of R2.5 million on assessment
- **Section 18A requirement changes.** Requirement to submit reporting data to SARS coming soon.
- **Section 10(1) (o)(ii)** – Qualifying criteria for S10(1) (o)(ii) exemption relating S8A/S8C gains excluding dividends is reinstated to the ITR12 return
- **Paragraph 13 of the First schedule** – Record retention period will be adjusted to give the farmer the option of going back to claim the deduction on the repurchased stock. Paragraph 131A prescription period will be extended to six years and Paragraph 131B prescription period will be extended to 11 years.





# New matters affecting the tax practice management

# Matters affecting the tax practice management

- **SARS addresses tax practitioner behavioural problems**
- The study is conducted on all income tax returns submitted by tax practitioners and considers a number of elements, including, but not limited to:
  - Types of expenses/deductions claimed on income tax returns;
  - Number of returns selected for verification; and
  - Number of additional assessments issued after verification.
- These documents include, but are not limited to:
  - Logbooks for expenses claimed against an employer provided vehicle;
  - IRP5 certificates for employee tax credits; and
  - Invoices or receipts for business expenses.





# HOT TOPIC

# Filing Season

Submission deadline for Auto-assessed taxpayers

Technical Glitches

Refund delays

Industrial Action at SARS

Payment due date

Trust deadline

Other Issues



# Submission deadline for Auto-assessed taxpayers

- Taxpayers who disagree with the auto-assessment must submit an income tax return within 40 business days from the date of assessment.
- Requests for extension for additional 40 business days, based on reasonable grounds, can be submitted on eFiling.
- SARS is of the opinion that there is sufficient time to submit the income tax return.
- The total of 16 weeks (40 business days plus 40 business days) coincide with the filing deadline of 24 October 2022 for non-provisional taxpayers.

# Technical Glitches

- SARS has identified the following technical issues since the opening of Filing Season 2022:
  - Unresponsiveness of eFiling during the first few days of the Filing Season.
  - Certain third-party data was duplicated.
  - Certain retirement annuity contributions did not pre-populate.
  - Interest in respect of RSA retail bonds did not pre-populated.
  - Information in respect of a medical scheme did not pre-populate correctly.
  - Trust beneficiary container not available.
  - Generic instead of specific verification letters were issued.
  - Problems with the uploading of supporting documents.
- Most of the abovementioned issues have been addressed or are in the process of being addressed

# Refund delays

## Refund Limitations

- Refunds are taking slightly longer than the initial 72 hours indicated. This is due to banking cycle limits, and it is anticipated that all the refunds will be paid soon.
- It is the taxpayer's responsibility to ensure that SARS is in possession of correct banking details. Incorrect banking details will delay refunds.
- Tax practitioners raised concerns that refunds are paid based on incorrect assessments. SARS responded that it remains the responsibility of the taxpayer to confirm whether the information in SARS' possession (that was used to pre-populate the tax return) was indeed correct.

# Refund delays

## Special Stoppers

- The main reason for the reversal of an income tax refund is the placing of a 'special stopper' on the assessed account.
- When a special stopper is placed on the assessed account, the taxpayer must verify or update their banking details. This is purely for security reasons and not necessarily because the banking details changed.



# Industrial Action at SARS

- The SARS contact centre and branches have been negatively impacted by the industrial action.
- The tax practitioner queue in the contact centre as well as some SARS branches are closed. The services impacted by the industrial action are published regularly on the [SARS website](#).
- Some SARS branches are still honouring or rescheduling virtual appointments.
- SARS apologised for the inconvenience caused and requested tax practitioners to use the available digital facilities as far as possible.

# Payment due date

- Taxpayers who received auto-assessments with an amount payable to SARS must pay this amount on or before 31 January 2023.

## Details

Reference number:	
Document number:	<b>6</b>
Date of assessment:	<b>2022-07-13</b>
Year of assessment:	<b>2022</b>
Type of assessment:	<b>Original Assessment</b>
Period (days):	<b>365</b>
Payment Due date:	<b>2022-08-01</b>
Interest free period/ Grace period until:	<b>2023-01-31</b>
PRN Number	<b>T000000000</b>

Always quote this  
reference number  
when contacting  
SARS

# Trust filing season deadline

- Trusts that are not registered for Provisional Tax runs from 1 July 2022 to 24 October 2022; and
- Trusts that are registered for Provisional Tax starts from 1 July 2022 to 23 January 2023.

SAIT has made a formal [submission](#) to the SARS Stakeholder Engagement Team.

# Other Issues

- SARS presently pre-populates the date on which a person ceased their South African (SA) tax residence on the taxpayer's income tax return.
- Tax returns being disregarded when they were completed prior to an auto-assessment being issued.
- Tax practitioner details appearing on returns auto-assessed by SARS.
- Functionality to de-link a taxpayer who was auto-assessed from a tax practitioner's eFiling profile.





Thank you