



Changes between the 2021 & 2022 Filing season, with reference to the ITR12 specifically

YOUR KEY TO THE TAX COMMUNITY

WITH YOU TODAY



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Perennial issues (BG)

- Travel allowance: How to prepare; will SARS request meeting minute? Keep more info rather than less
- Home office: Requirements & pitfalls (interest, etc. sharing, blueprint / diagram – indicate separate space & photographs, equipment in office)
- Right of use of motor vehicle: What happens if no business use? assumption of employer petrol reimbursement.
- Data costs & allowances: Pvt versus business
- 3rd party data: Process around dividends, retirement contributions, medical, donations – 18A, lump sums, interest, etc.

Expat – related

- The practical steps to cease South African Tax residency
 - ITR12
 - RAV01
 - Certificate of non-tax residence
- Section 10(1)(o)(ii) and the completion of tax returns – ensure correct fields filled out
- Foreign Tax Credits – proof of foreign taxes, difficulties with aligning apportionment of FTCs with SARS calcs
- Section 9H – calculation of CGT – share valuations, trusts, retirement funding
- What to have ready for audit if breaking SA tax residency

Farmer / sole prop/Rental (SS)

- **Business expenses vs Private expenses**

- expenses must be directly related to business or appropriately apportioned
- supported by invoices/proof of payment
- supporting schedules, i.e. depreciation/wear and tear

- **Apportionment of expenses**

- examples: motor vehicle, home office, communication and data
- basis of apportionment
- Motor vehicles: Logbook, actual costs
- Home office: size of office
- Communication and data: percentage of use

Farmer / sole prop (SS)

- **Statement of Assets and Liabilities**

- to be submitted by all farmers/sole proprietors
- currently not required for rental of property
- New requirement as announced in budget

- **Filing of Supporting documentation:**

- Income statement
- Tax calculation
- Depreciation/wear and tear schedules
- Schedule of home office expenses and apportionment thereof
- Rental: bond statement



Thank you!!

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