

7 June 2024

To: The South African Revenue Service

Lehae La SARS
299 Bronkhorst Street
PRETORIA
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Via email: SARS: policycomments@sars.gov.za

COMMENTS ON THE DRAFT INTERPRETATION NOTE: INCOME TAX EXEMPTION – WATER SERVICES PROVIDER

Dear Colleagues,

We have reviewed the draft interpretation note that address the income tax treatment of water services providers (**draft IN**). We take note that the draft IN, provides guidance on the interpretation and application of the definition of “water services provider” in section 1(1) of the Income Tax Act, no 58 of 1962 (**the Act**) for purposes of the exemption of the receipts and accruals of a qualifying water services provider from normal tax under section 10(1)(t)(ix) of the Act.

Upon review of the draft IN, we are aligned with the technical content and do not oppose the interpretation thereof.

We note, however, several technical, grammatical amendments that we wish to note herein. These are noted in Annexure A to this submission.

Please do not hesitate to contact us should you require further information.

Yours faithfully,

SAIT Tax Technical

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