

TAXPRACTICE

WEEKLY HIGHLIGHTS

WEEK OF 05 - 11 June 2025
(Issue 22 -2025)

TABLE OF CONTENTS

PART A: COMPLIANCE & SARS OPERATIONS 4

SAIT-SARS 'ON-THE-GROUND' ENGAGEMENT 4

SAIT TaxHelpline – escalations 7

SARS regional and national operational meetings 7

Upcoming RCB/SARS regional and national meetings 7

DAILY COMPLIANCE AND ADMINISTRATION 8

Due dates for reporting and payments: June 2025 8

SAIT member resources 8

Key operational news 8

Other SARS and related operational publications and announcements 8

TAX PRACTITIONER MANAGEMENT 11

SAIT TaxHelpline - Tax practitioner access and functionality (eFiling) 11

Key tax practitioner news 11

Governement & stakeholder newsletter 11

Other tax practitioner access and functionality publications and announcements 11

PART B – LEGISLATION & POLICY 12

LEGISLATION, INTERNATIONAL AGREEMENTS & POLICY 12

Tax policy & international agreements 12

National legislation 12

LEGISLATION INTERPRETATION 12

Legislative calls for comment 12

Submissions to SARS and current calls for comment 12

Legislative counsel publications 13

Other SARS publications and announcements 14

OTHER MATTERS OF INTEREST FOR A TAX PRACTICE 15

TOP STORIES

Upcoming Filing Season for individual taxpayers

Taxpayers and tax practitioners are reminded that the income tax return filing dates are as follows:

- Auto-assessments for a segment of taxpayers whose affairs are less complex: 7 – 20 July 2025
- Filing season opens for non-provisional taxpayers who were not auto-assessed: 21 July – 20 October 2025
- [Provisional](#) taxpayers: 21 July – 19 January 2026

As in previous years, SARS will implement its auto assessment where selected taxpayers will receive SMS and/or email notifications informing them that they have been automatically assessed. If the information provided in the auto-assessment is accurate, no further action is required from the taxpayer. However, if any information is incomplete or incorrect, taxpayers are encouraged to make the necessary adjustments via eFiling or the SARS MobiApp and submit their tax return by 20 October 2025.

Taxpayers not selected for auto assessment, particularly those with more complex tax matters, will be able to submit their returns from 21 July 2025.

Taxpayers are reminded to ensure their banking details and contact information (email and cell phone number) are accurate and up to date to facilitate the efficient processing of refunds. SARS continues to encourage taxpayers to make use of digital channels unless an in-person appointment is necessary.

Additional information may be accessed [here](#).

Important SARS notice for all customs traders: Update your RLA profiles

All Customs and Excise traders are urged to update their registration and licensing information as a matter of urgency.

As part of SARS's modernisation programme launched in 2022, customs traders are required to transition to

the new Registration, Licensing and Accreditation (RLA) system. This project aims to improve compliance, enhance service delivery, and simplify administration.

To avoid the suspension of customs codes, all traders are required to update their customs registration and legal entity information without delay.

How to comply – In three simple steps:

1. Update your RLA profile via the RLA system.
2. Merge your tax and customs profiles using the Legal Entity Registration process.
3. Complete the onboarding process on SARS eFiling.

Download the full onboarding guide [here](#).

SAIT congratulates Ms Mary Baine on her appointment as Executive Secretary of the ATAF

SAIT extends its warm congratulations to Ms. Mary Baine on her official appointment as Executive Secretary of the African Tax Administration Forum (ATAF), effective 1 July 2025.

Ms Baine brings a wealth of experience to the role, having previously served in senior positions in the Rwandan government and ATAF.

SAIT wishes her every success in this important leadership position.

Are you a **tax practitioner** with a passion for writing?

Let's feature your article on the Tax
Practice: Weekly Highlights.

Send your article to
taxassist@thesait.org.za.

Approximately 500 – 1500 words

PART A: COMPLIANCE & SARS OPERATIONS

SAIT-SARS 'ON-THE-GROUND' ENGAGEMENT

SARS discontinues printing and posting of system-generated letters

SARS has announced that, as of 31 May 2025, it will no longer print or post psts system-generated letters.

All official communication will now be delivered exclusively through eFiling and other approved digital platforms.

This change is part of SARS's ongoing efforts to enhance operational efficiency by reducing reliance on external service providers and improving the speed and reliability of correspondence delivery.

Taxpayers and tax practitioners are reminded to ensure they are registered for eFiling and that their contact information with SARS is accurate and up to date, to receive timely notifications of correspondence that may require their attention.

If you do not have an eFiling profile yet, click [here](#) to register. To view correspondence on eFiling, click [here](#) for a quick guide.

Read more [here](#).

Reminder: Auto-assessment process for the 2025 tax filing season

SARS has identified a significant segment of both non-provisional and provisional taxpayers, typically with straightforward tax affairs and income from one or more sources such as formal employment, for auto assessment for the 2025 Filing Season.

Taxpayers selected for auto-assessment will receive a pre-populated tax return prepared by SARS. If the taxpayer agrees with the assessment and the information is accurate, no further action is required. However, if the taxpayer identifies any missing or incorrect information, they are required to edit and submit their return via SARS eFiling by 20 October 2025.

The auto assessment process will work as follows:

1. Notification from 7 July 2025 – 20 July 2025:

SARS will contact affected taxpayers via SMS and/or email, notifying them of their auto-assessment.

2. Refunds or payments:

Refunds: If a refund is due, it will be paid into the taxpayer's registered bank account within 72 business hours of the notification.

Payments: If tax is due, payment must be made by the deadline via SARS eFiling, the SARS MobiApp, or directly to SARS's bank account.

3. Accessing the Auto-Assessment:

Taxpayers can access their auto-assessment via SARS eFiling or the SARS MobiApp, where they can verify the completeness and accuracy of the information.

4. If the assessment is accurate:

If the taxpayer agrees with the assessment, no further action is needed, and the return will be considered submitted.

5. If action or changes are needed:

If any income or expense information is missing or incorrect, the taxpayer must submit a corrected return via SARS eFiling.

Taxpayers who are not automatically assessed and are required to file a tax return will only be able to start filing tax returns from 21 July 2025. For non-provisional taxpayers, the deadline is 20 October 2025. Provisional taxpayers as well as Trust submissions can start with filing a return from 21 July 2025 until 19 January 2026.

Taxpayers are strongly encouraged to review their assessments carefully and submit any necessary corrections promptly to avoid penalties or delays. Taxpayers are further urged to ensure that their banking details and contact information (email and cell phone number) are accurate and up to date to enable the efficient processing of refunds.

Taxpayers and practitioners are advised to visit the [Tax Season](#) webpage on the [SARS website](#) for comprehensive guides, updates, and detailed information related to the 2025 Filing Season.

Reminder: 2025 Filing Season document preparation

A critical part of preparing and submitting accurate and complete tax returns is ensuring that all relevant supporting documents are readily available and submitted when required.

These documents serve as proof of income, deductions, and claims made on returns, and they are essential for the correct calculation of the taxpayer's tax liability or refund. Below is a list of common supporting documentation required when completing your ITR12 Income Tax Return for the 2025 tax year, which commenced from 1 March 2024 to 28 February 2025:

1. Income documentation:

- IRP5/IT3(a): Employees' Tax Certificate for income received, including salary, bonuses, and lump sums from an employer, pension fund, provident fund, or retirement annuity.

2. Interest and dividend certificates:

- Local and foreign interest income
- Foreign dividend income

Note: If married in community of property, certificates for both you and your spouse are required. If married out of community of property, only the respective spouses' certificates are required.

3. Medical expenses:

- Medical scheme tax certificate for the applicable period.
- Proof of qualifying medical expenses paid out-of-pocket and not reimbursed by your medical aid.
- A completed ITR-DD (Confirmation of Diagnosis of Disability) form, if claiming disability-related expenses.

4. Travel allowances and employer-provided vehicles:

- A logbook recording business travel is essential if claiming deductions related to a travel allowance or fringe benefit for an employer-provided vehicle.

5. Retirement contributions:

- Income tax certificates from your financial institution confirming contributions to a retirement annuity fund.

6. Tax-free investment certificates:

- Tax certificates from financial institutions for contributions to tax-free savings/investment accounts.

7. Donations:

- A valid Section 18A donation tax certificate if you are claiming a deduction for qualifying donations made to approved Public Benefit Organisations (PBOs).

8. Capital gains:

All relevant documentation for capital gains transactions, such as:

- Proof of proceeds (e.g. sale agreements, invoices, IT3(c) certificates)
- Calculations of base costs for each asset sold
- Supporting documents for both local and foreign asset disposals

9. Commission earners:

Documentation supporting commission-related expenses, including:

- Invoices and receipts for claimable expenses
- A logbook if business travel deductions are claimed

10. Rental income

- All information related to the letting of property, such as:
- Rental or lease agreements
- Bond statements showing interest if claimed
- A detailed schedule of rental-related expenses and supporting invoices

11. Business and farming income

- Financial statements for any trading or farming activities, where applicable.

12. Other income and deductions

- Supporting documents for any additional income earned or deductions claimed not covered above.

To avoid delays or penalties, ensure that your supporting documents are:

- i. Accurate and up to date
- ii. Available if requested by SARS
- iii. Retained for a minimum of five years

For detailed guidance, refer to [IT-AE-36-G05 - Comprehensive Guide to the ITR12 Income Tax Return for Individuals - External Guide](#), available on the SARS website.

Being well-prepared not only ensures compliance but can also enable taxpayers to claim the full range of deductions and benefits they are entitled to.

Reminder: SARS updates submission process for withholding tax on royalties

SARS has issued an updated guide for the Withholding Tax on Royalties Return (WTR01), effective 25 April 2025. Taxpayers are now encouraged to submit WTR01 forms and supporting documents via the SARS Online Query System, available on the SARS website.

Those in the Large Business & International (LBI) and High Wealth Individual (HWI) segments may still use the designated email channels.

The revised guide - [GEN-WTR-01-G01](#) - provides updated instructions to help taxpayers comply with their obligations more efficiently.

SAIT TaxHelpline – escalations

As part of our ongoing commitment to serving our members, SAIT escalates appropriate cases within the SARS structures on their behalf. For assistance with this, members can submit their queries via the [TaxHelpline](#).

The most urgent escalations this week include:

1. Delays in finalising income tax objections.
2. Delays in finalising and payment of refunds.
3. Delays in finalising bank verifications.
4. Delays in finalising registered representative requests.

SAIT continues to engage with SARS at both regional and national levels on a case-by-case basis regarding the escalations mentioned above. Feedback is communicated directly to the affected members as appropriate.

SARS regional and national operational meetings

SAIT and its Regional Representatives attend SARS/RCB regional meetings quarterly, offering opportunities for effective, systemic discussions (qualifying for CPD points)*.

** For effective and meaningful engagement with SARS, Regional Representatives are encouraged to provide three specific examples of issues or challenges that arise. It is important to note that regional meetings are not intended for individual case escalations but serve as a platform to address systemic issues impacting the broader tax practitioner community.*

Feedback from the RCB/SARS regional and national meetings

Feedback from the Limpopo regional meeting held on 10 June 2025 will be shared with members in the next edition of this publication.

Feedback from the following meetings can be accessed below:

1. [Western Cape](#) regional meeting held on 4 June 2025.
2. [Free State and Northern Cape](#) regional meeting held on 9 June 2025.

Upcoming RCB/SARS regional and national meetings

1. Eastern Cape – 13 June 2025
2. North-West – 23 June 2025
3. Eastern Cape – Gqeberha and Kareiga – 25 June 2025
4. Mpumalanga – 27 June 2025
5. KwaZulu Natal – 30 June 2025
6. Eastern Cape – Gqeberha and Kareiga – 13 August 2025
7. Gauteng – 21 August 2025
8. Western Cape – 3 September 2025
9. Free State and Northern Cape – 8 September 2025
10. Free State and Northern Cape – 10 November 2025 and
11. Eastern Cape – Gqeberha and Kareiga – 12 November 2025
12. Gauteng – 20 November 2025.

Other meetings of interest

1. SARS National Operational Forum – 14 August 2025;
2. RCB Forum meeting tentatively scheduled for 16 September 2025;
3. RCB Forum meeting- 11 November 2025; and
4. SARS National Operational Forum – 20 November 2025.

DAILY COMPLIANCE AND ADMINISTRATION

Due dates for reporting and payments: June 2025

Month	Date	Tax Type	Notification
June 2024	06/06/2025	Employment Taxes	EMP201 - Submissions and payments
	25/06/2025	Value-Added Tax	VAT201 - Manual submissions and payments
	30/06/2025	Value-Added Tax	VAT201 - Electronic submissions and payments
	30/06/2025	Income Tax	ITR14 - Submission of 2024 returns for companies with a June year-end
	30/06/2025	Income Tax	1st provisional (2025) - Submissions and payments for individuals, trusts and companies with a December year-end
	30/06/2025	Income Tax	2nd provisional (2025) - Submissions and payments for companies with a June year-end
	30/06/2025	Income Tax	3rd provisional (2024) - Payments for companies with a December year-end

SAIT member resources

- [SAIT important tax dates calendar](#) – contains important dates from January 2025 to January 2026 (unchanged).
- [SAIT SARS contact map](#) – links service requirements to SARS channels (unchanged).

Key operational news

No key operational news was noted for the week of 5 – 11 June.

Other SARS and related operational publications and announcements

SARS publishes Traders & Travellers Connect Issue 5 for SMMEs

On 9 June 2025, SARS published Issue 5 of the [SMME for Traders and Travellers Connect](#). This issue focuses on Special Economic Zone (SEZ), New Features on SARS Online Query System (SOQS) and SMME Trader Education Initiatives.

Special Economic Zones (SEZ)

SEZs are geographically designated areas set aside for targeted economic activities. Through tax incentives, these zones attract foreign and domestic investment and technology. The SEZ must be designated by the Minister of Trade and Industry and clients must also apply to SARS Customs for registration and licensing with regard to storage and manufacturing premises. For more information, go to: [Special Economic Zones](#)

Types of SEZ

The Minister of Trade and Industry can designate various types of SEZs:

- **Industrial Development Zone**

A purpose-built industrial estate that uses domestic and foreign fixed direct investment in value-added and export-oriented manufacturing industries and services.

- **Free Port**

A duty-free area next to a port of entry where imported goods can be unloaded for storage, repackaging or processing, subject to Customs import procedures.

- **Free Trade Zone**

A duty-free area offering storage and distribution facilities for value-adding activities in the SEZ for export.

- **Sector Development Zone**

A zone focused on developing an industry through general or specific industrial infrastructure, incentives, and technical and business services primarily for the export market.

For more information, go to: [The Department of Trade Industry](#)

Tax benefits of SEZs

The following benefits, inter alia, are available to taxpayers

- **Income Tax Exemption**

Many SEZs provide exemptions for a specific period. This can significantly reduce the tax burden on businesses, especially for startups and foreign investors.

- **Customs Duty Exemptions**

Goods imported into SEZs often enjoy exemptions from customs duties. This incentivises companies to source raw materials and components at lower costs, enhancing competitiveness.

- **Consumption-tax Benefits**

SEZs often have exemptions or reductions in VAT or goods and services tax, making it easier for businesses to manage their tax liabilities while promoting export activities.

For more information, read the [Brochure on the Special Economic Zone Tax Incentive](#)

New features on SOQS streamline compliance for traders

New features on [SOQS](#) create a smoother and more efficient experience for traders using the Registration, Licensing, and Accreditation (RLA) system.

The improved features and benefits are as follows:

- **Upload RLA-related supporting documentation seamlessly.**

Better self-service: traders can easily download their RLA certificates and letters directly from the system.

- **View and download RLA certificates and letters.**

Improved communication: messaging between SARS and traders has been made easier and more efficient.

- **Choose to receive these documents by email for added convenience.**

Better documentation management: access to RLA documents on the website has been improved, making it simpler for traders to find the information they need.

For more information, read the [SARS Online Query System Guide](#)

SMME trader education initiatives

SARS encourages traders to refer to the SARS website often for education initiatives

- **Webinars:** SARS regularly hosts webinars for taxpayers and traders on a variety of topics to provide clarity and certainty on tax obligations. Click [here](#) for a list of traders' and travellers' webinars.
- **Webpage:** The SARS website has a dedicated [Traders and Travellers Education](#) page that provides useful information and updates for Customs & Excise SMME traders and travellers.
- **Digital Channels:** Learn how to register on the RLA system, get licensed, and use the RLA eFiling system. Click [here](#) for self-registration.

For more information on how to register as a trader, you can email RLARegistrations@sars.gov.za.

Latest scam alert:

Beware of fraudulent activities! Don't fall for [imposters pretending to be Customs Inspectors from SARS](#). Always verify the authenticity on the [Scams & Phishing webpage](#).

SARS releases VAT Connect Issue 19

On 10 June 2025, SARS published [Issue 19 of the VAT Connect](#). This issue focuses on the retraction of the increase in the VAT rate, changes to the VAT refund administrator and new publications.

Below we highlight the recent amendments

The public was alerted to the publication of the 2024 draft tax bills and the draft Regulations on 31 August 2024 in [VAT Connect Issue 18](#). These bills and draft Regulations have since been promulgated and the following Acts containing amendments to the VAT Act as well as the Regulations were published. These amendment Acts were all promulgated on 24 December 2024 as per *Government Gazettes (GGs)* 51826, 51827, 51829, and 51828 respectively. The amendments came into effect on 1 April 2025 unless otherwise stated.

These documents can be accessed via the SARS website by clicking on the links below:

- [Taxation Laws Amendment Act 42 of 2024](#)
- [Tax Administration Laws Amendment Act 43 of 2024](#)
- [Revenue Laws Second Amendment Act 44 of 2024](#)
- [Rates and Monetary Amounts Amendment Act 45 of 2024](#)
- [Amendments to the Regulations on Domestic Reverse Charge Relating to Valuable Metal in terms of Section 74\(2\) of the Value-Added Tax Act 89 of 1991](#)
- [Regulations on the Method for Determining the VAT liability in respect of Casino Table Games of Chance](#)
- [Regulations on Electronic Services for the purpose of the Definition of "electronic services"](#)
- [Regulations under section 19\(c\) of the Carbon Tax Act 15 of 2019](#)

Explanatory Memoranda to the above Acts and Regulations can be accessed by clicking on the links below:

- [Explanatory Memorandum on the Taxation Laws Amendment Bill, 2024](#)
- [Memorandum on the Objects of the Tax Administration Laws Amendment Bill, 2024](#)
- [Memorandum on Objects of Rates and Monetary Amounts and Amendment of Revenue Laws Bill, 2025](#)

- [Explanatory Memorandum on Amendments to the Regulations on the Domestic Reverse Charge relating to Valuable Metal issued in terms of Section 74\(2\) of the Value-Added Tax Act, 1991](#)
- [Explanatory Memorandum on Regulations on Determining the VAT Liability in respect of Casino Table Games of Chance, issued in terms of section 74 of the Value-Added Tax Act, 1991](#)
- [Explanatory Memorandum on Amendments to the Regulations Prescribing Electronic Services for the Purpose of the Definition of “Electronic Services” in Section 1\(1\) of the Value-Added Tax Act, 1991](#)
- [Explanatory Memorandum on the Carbon Offset Regulations under the Carbon Tax Act, 2019](#)

The full [VAT Connect](#) may be accessed [here](#).

TAX PRACTITIONER MANAGEMENT

SAIT TaxHelpline – Tax practitioner access and functionality (eFiling)

No key tax practitioner access and functionality matters pertaining to (eFiling) were identified in the week of 5 – 11 June 2025.

Key tax practitioner news

No new key tax practitioner news is relevant for the week of 5 – 11 June 2025.

Government & stakeholder newsletters

No other government and stakeholder newsletters were released.

Other tax practitioner access and functionality publications and announcements

- **10 June 2025** – The KwaZulu-Natal [mobile tax unit schedule](#) for July 2025 is now available.
- **10 June 2025** – The Mpumalanga [mobile tax unit schedules](#) for July to September 2025 are now available.

PART B – LEGISLATION & POLICY

LEGISLATION, INTERNATIONAL AGREEMENTS & POLICY

Tax policy & international agreements

No new tax policy and international agreements were released in the week of 5 – 11 June 2025.

National legislation

No new national legislation was published in the week of 5 – 11 June 2025.

LEGISLATIVE INTERPRETATION

Legislative calls for comment

A reminder that SARS has published the following **draft interpretation** note for comment:

- [Draft Binding General Ruling 4 \(Issue 4\)](#) – Apportionment methodology to be applied by a municipality

The SALT Tax Technical team is currently reviewing this draft interpretation note to provide feedback to SARS. Members who wish to submit their commentary are invited to email kjesana@thesait.org.za by no later than 17 June 2025, to ensure their input is considered before comments on the draft interpretation note are finalised and circulated to SARS.

SARS has published the following **draft Guides** for comment:

- [Draft Tax Exemption Guide for Benefit Funds](#), that provides guidance on the meaning of a “benefit fund” as defined in section 1(1) of the Act and the exemption from income tax of the receipts and accruals of an eligible benefit fund under section 10(1)(d)(ii) of the Act.
- [Draft Guide to Section 18A Approval for Specific United Nations Entities](#), that considers the requirements for obtaining and retaining approval for purposes of section 18A of the Income Tax Act 58 of 1962 (the Act) by the eligible United Nations entities, namely, specialised agencies and the programmes, funds, High Commissioners, offices, entities or organisations listed in section 18A(1)(bA) of the Act.

The SALT Tax Technical team is currently reviewing these draft Guides to provide feedback to SARS. Members who wish to submit their commentary are invited to email kjesana@thesait.org.za by no later than 11 June 2025, to ensure their input is considered before comments on the draft interpretation note are finalised and circulated to SARS.

Submissions made to SARS and current calls for comment

No submissions in response to legislative calls for comment were made in the week of 5 – 11 June 2025.

SARS releases additional Guides to assist with Tax Administration

On 11 June 2025 SARS released two new [Guides](#) in respect to the following:

- [Guide to Advance Tax Rulings \(Issue 2\)](#): provides guidance in respect of the application for an advance ruling and an overview of the Advance Tax Ruling (ATR) process.
- SARS has also released a [Quick Reference Guide on the ATR System](#) on how a person who wishes to submit an ATR application on the ATR system may do so.

Members are encouraged to read these guides to understand how to apply for a Ruling from SARS.

Reminder that SARS has released the updated official rate for taxing interest-free or low-interest loans following the repo rate change

On 29 May 2025, the South African Reserve Bank announced a change to the repurchase (repo) rate, which took effect on 1 June 2025. In line with this adjustment, SARS has updated the deemed interest rate applicable for purposes of calculating the taxable fringe benefit on such loans per [Table 3](#).

This rate is particularly important for individuals who receive interest-free or low-interest loans from their employers, as the difference between the official rate and the interest charged (if any) may be treated as a taxable benefit under the Income Tax Act.

The update was officially published on 30 May 2025 and applies to qualifying loans from 1 June 2025 onwards.

Taxpayers and employers are encouraged to take note of this change to ensure compliance and accurate reporting.

SARS issued a plethora of VAT rulings clarifying applicable zero-rating and apportionment provisions as outlined in the VAT Act

On 30 May 2025, SARS issued several VAT rulings in response to applications, providing clarity on how the Commissioner would interpret and apply the provisions of the VAT Act concerning specific proposed transactions. These rulings are to be treated as binding private rulings. A summary of the Rulings is outlined below.

- [VR 010 – Apportionment](#): This VAT ruling approves the method of apportionment being a varied input-based method, which is applied to the Applicant that is a South African short-term insurance company operating in the field of domestic and international credit insurance. The Applicant provides domestic and international trade credit insurance cover to its policyholders who sell goods or provide services to other businesses on credit terms in order to protect them against non-payment risks.
- [VR 011 – Apportionment](#): This VAT ruling approves the method of apportionment being the varied turnover-based method, which is applied to the Applicant, a South African Real Estate Investment Trust (REIT), which is listed on the Johannesburg Stock Exchange (JSE) in the Real Estate Holdings and Development Sector.
- [VR 012 – Apportionment](#): This VAT ruling approves the method of apportionment, being the varied turnover-based method, which is applied to the Applicant that is a holding company for a group of companies which operate in the electronics and low-voltage electrical engineering industries.

- [VR 013 – Zero-Rating of Medical Health Insurance Cover](#): This VAT ruling confirms that the premiums charged by the Applicant as consideration for the provision of medical health cover to the employees of foreign employers and the dependents of the employees who are located in a foreign country, in the event of medical emergencies, where the foreign employer contracts with the Applicant as principal, qualify for VAT at the rate of zero per cent in terms of the provisions of section 11(2)(ℓ).

SARS published updated VAT 420 guide for motor dealers

On 4 June 2025, SARS released Issue 3 of the VAT 420 – [Guide for Motor Dealers](#) under the VAT Act. This updated [guide](#) provides practical guidance on the application of VAT legislation for vendors supplying motor vehicles, commonly referred to as motor dealers. It outlines how general VAT principles apply to the motor industry and addresses specific transactions relevant to motor dealers.

While the [guide](#) offers a comprehensive overview, it is not intended as a legal reference and does not cover all legislative details. It is important to note that the guide is not an “official publication” as defined in section 1 of the Tax Administration Act (TA Act) and does not create a practice generally prevailing under section 5 of the TA Act.

The previous edition of the guide is withdrawn with effect from 4 June 2025. Motor dealers are advised to read this guide in conjunction with the VAT 404 – Guide for Vendors, as the general VAT principles outlined therein continue to apply. The VAT 420 guide serves to expand on those principles by addressing scenarios and transactions unique to the motor industry.

Members are encouraged to study the [Guide](#) in full for more comprehensive details.

Published court cases

SARS has published the following Supreme Court of Appeal decisions:

Date of delivery	Case	Relevant Legislation
25/03/2025	CSARS v Virgin Mobile South Africa (Pty) Ltd (1303/2023) [2025] ZASCA 77 (04 June 2025)	Tax Administration Act, 2011 Promotion of Administrative Justice Act, 2000
Keywords: Tax law – Tax Administration Act 28 of 2011 – default judgment – condonation – whether a party is exempted from applying for condonation for the late filing of a Rule 31 statement when that party files their statement after receiving a notice in terms of Rule 56(1) – whether the high court correctly interpreted the provisions of Rule 56(1) of the Tax Court Rules.		

Other SARS publications and announcements

No other legislative publications or announcements were issued by SARS during the week of 5 - 11 June 2025.

South Africa and China commit to strengthening Trade Facilitation – SARS, ITAC & Chinese Embassy

On 3 June 2025, Commissioners of the International Trade Administration Commission (ITAC), Mr Ayabonga Cawe; South African Revenue Service (SARS), Mr Edward Kieswetter; and the Chinese Ambassador to South Africa, His Excellency Mr WU Peng, held a constructive meeting at the SARS Pretoria Head Office.

The meeting focused on improving trade facilitation, increasing trade volumes, and addressing challenges such as non-compliance and unfair trade practices. Both sides reaffirmed the importance of deepening bilateral ties through practical cooperation, improved communication, and information sharing, particularly in trade remedy investigations.

The discussion highlighted the role of trade in supporting economic growth, investment, and industrialisation. China reiterated its support for South Africa's development agenda, while South Africa emphasised the importance of fair and rules-based trade.

This engagement marks a step forward in strengthening strategic trade relations and fostering inclusive economic growth.