

# TAX PRACTICE

## WEEKLY HIGHLIGHTS

WEEK OF 12 - 18 June 2025  
(Issue 23 -2025)

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### TOP STORIES

#### **South Africa set to exit FATF grey list by October 2025**

South Africa has successfully and largely addressed all 22 action items required by the Financial Action Task Force (FATF) to address deficiencies in its anti-money laundering and counter-terrorist financing systems. This includes major improvements in prosecutions, risk-based supervision, and beneficial ownership transparency.

The completion of the Action Plan paves the way for the final step before the FATF can delist South Africa: an on-site visit by the FATF Africa Joint Group (JG). During this visit, the JG will assess the country's sustained commitment to combating money laundering, terrorist financing, and other financial crimes. As noted in the FATF statement, the visit will confirm South Africa's ongoing efforts and progress in implementation.

FATF will then proceed with the formal delisting process, expected in October 2025. This milestone enhances investor confidence, reduces financial risks, and demonstrates South Africa's firm dedication to clean governance and adherence to global compliance standards.

Read the official media statement [here](#).

#### **Countdown to Tax Season: Make sure that you are prepared**

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](#).

***#StayAbreastOfTheTaxWave***

# 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](mailto:taxassist@thesait.org.za).

Approximately 500 – 1500 words

# PART A: COMPLIANCE & SARS OPERATIONS

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

### SARS implements improvements to the Tax Practitioner phone queue

In recent weeks, SAIT has received numerous reports of frustration from both taxpayers and tax practitioners who are struggling to get through to SARS via their telephone service channels. While these concerns are under active consideration at various forums, SARS has implemented a key change aimed at improving the efficiency of its call system, specifically for tax practitioners.

To this, SARS has improved its Interactive Voice Response (IVR) on its telephone service channel for tax practitioners. Previously, when tax practitioners failed to authenticate themselves, the calls were rerouted to the Income Tax queue. Based on the relevant updates, if a tax practitioner fails to correctly authenticate themselves, the call will automatically end.

It is now essential for tax practitioners to have both their practitioner number and identity number readily available when contacting SARS to facilitate a successful and efficient call.

Read more about the improvements [here](#).

### Reminder that 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.

## 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 returns selected for manual intervention without verification.
2. Delays in finalising and payment of refunds.
3. Delays in finalising requests for remission of penalties.
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 following meetings can be accessed below:

1. [Limpopo](#) regional meeting held on 10 June 2025 regional meeting held on 10 June 2025
2. [Eastern Cape](#) regional meeting held on 13 June 2025. June 2025.

## Upcoming RCB/SARS regional and national meetings

1. North-West – 23 June 2025
2. KwaZulu Natal – 24 June 2025
3. KwaZulu Natal – 25 June 2025
4. Eastern Cape – Gqeberha and Kareiga – 25 June 2025
5. Mpumalanga – 27 June 2025
6. KwaZulu Natal – 30 June 2025
7. Eastern Cape – Gqeberha and Kareiga – 13 August 2025
8. Gauteng – 21 August 2025
9. Western Cape – 3 September 2025
10. Free State and Northern Cape – 8 September 2025
11. Free State and Northern Cape – 10 November 2025 and
12. Eastern Cape – Gqeberha and Kareiga – 12 November 2025
13. 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	<b>EMP201</b> - Submissions and payments
	25/06/2025	Value-Added Tax	<b>VAT201</b> - Manual submissions and payments
	30/06/2025	Value-Added Tax	<b>VAT201</b> - Electronic submissions and payments
	30/06/2025	Income Tax	<b>ITR14</b> - Submission of 2024 returns for companies with a June year-end
	30/06/2025	Income Tax	<b>1st provisional (2025)</b> - Submissions and payments for individuals, trusts and companies with a December year-end
	30/06/2025	Income Tax	<b>2nd provisional (2025)</b> - Submissions and payments for companies with a June year-end
	30/06/2025	Income Tax	<b>3rd provisional (2024)</b> - 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 12 - 18 June 2025.

## Other SARS and related operational publications and announcements

### SARS publishes June 2025 edition of the Monthly Tax Digest

On 17 June 2025, SARS published the June edition of the monthly tax digest. In this issue, SARS focuses on the upcoming 2025 filing season for individuals.

This issue reiterates and provides guidance on the following:

- Key filing season dates;
- The importance of early preparation and submission;
- The express filing functionality available via eFiling, as well as the auto-assessment process, and
- A reminder for individuals to remain alert to potential scams during the filing season.

These matters have been addressed and unpacked in previous SAIT TPWH issues. Readers are encouraged to consult the SARS June 2025 edition of the [Monthly Tax Digest](#) or refer to the above-referenced issue for comprehensive insights and analysis.

## 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 12 – 18 June 2025.

### Key tax practitioner news

#### The 2025 SARS tax practitioner registration and compliance audit will kick off on 1 July 2025

SAIT will soon commence its annual review of membership compliance through the annual SARS compliance Audit, which begins in **July 2025**.

Under the Tax Administration Act, individuals providing tax-related services must register with both a Recognised Controlling Body (RCB) and SARS as a Tax Practitioner. RCBs are also required to manage their tax practitioner members' compliance with registration requirements.

#### **Mandatory SARS and practitioner compliance requirements:**

- Valid Tax compliance PIN (in your personal name) and good standing;
- Criminal-free status
- Completion of 2024 CPD hours
- Submission of annual declaration forms

As part of this process, various categories of membership compliance and registration information will be updated. PR numbers will also be updated, as some members are still using outdated alpha-numeric PR numbers. Members who are still using alpha-numeric PR numbers and those who do not have their PR numbers are classified by SARS as “ghost practitioners” and risk deregistration. SARS requires all tax practitioners to activate and use their unique PR number.

As an RCB, SAIT is legally required to audit 20% of its entire membership and report compliance status to SARS annually. SARS and SAIT will randomly select a pool of tax practitioners to partake in this mandatory compliance audit. All selected candidates will be notified via email, telephone and SMS. Prompt response is highly encouraged.

#### **Consequences of non-compliance**

SAIT aims to help members become compliant, stay empowered, and avoid deregistration or membership downgrade to the unregulated Affiliate category. Although we achieved 94% compliance conversion strike rates in the previous audit, 134 members remained non-compliant and were subsequently downgraded, thus losing their practitioner status.

#### **SARS deregistrations:**

With over 30 tax practitioner deregistrations due to non-compliance with section 240(3)(d) of the Tax Administration Act (TAA) in 2005 already, the rising numbers are alarming.

Compliance issues typically stem from lapses in tax obligations, failure to meet Continuing Professional Development (CPD) requirements, or criminal activity. Practitioners must remain informed and compliant with SARS regulations to avoid deregistration, as this can severely impact their professional standing and operational capabilities.

Kindly note that members who default on the above requirements will be suspended and reported to SARS for deregistration.

Given that tax practitioner compliance is a statutory requirement, **our consultants are here to assist**. However, failure to respond to and comply with the audit may result in revocation of registration.

For any inquiries on the annual Tax Practitioner Audit, please contact the SAIT Legal and Compliance Department via the following email: [info@thesait.org.za](mailto:info@thesait.org.za).

### Government & stakeholder newsletters

No other government and stakeholder newsletters were released in the week of 12 – 18 June.

### Other tax practitioner access and functionality publications and announcements

No other tax practitioner access and functionality publications and announcements were released in the week of 12 – 18 June.

# 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 12 – 18 June 2025.

### National legislation

No new national legislation was published in the week of 12 – 18 June 2025.

## LEGISLATIVE INTERPRETATION

### Legislative calls for comment

A reminder that SARS has published the following draft Guides for comment:

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

The SAIT 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 [ksesana@thesait.org.za](mailto:ksesana@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.

- [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 SAIT 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 [ksesana@thesait.org.za](mailto:ksesana@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 12 – 18 June 2025.

### Legislative counsel publications

## SARS publishes guidance on the tax treatment of the net-billing tariff system for excess power generated

The ongoing energy crisis in the country, combined with increasing electricity demand, has prompted the introduction of several tax incentives and measures aimed at easing

the burden on the national grid and supporting South Africa's international climate commitments.

Among these initiatives is the net-billing tariff system, which allows customers to earn export credits for surplus electricity generated from renewable sources and fed back into the grid. This system requires that the customer's electricity production be synchronised with the grid, typically achieved through the use of inverters.

In line with this, SARS has published a [Guide](#) on the tax implications of the Net-billing Tariff System. The [Guide](#) explains how taxpayers can claim tax credits for excess power exported to the grid under this system and outlines the treatment of various expenses incurred in generating renewable electricity. Essentially, the net-billing tariff system serves as a mechanism to compensate customers for the energy they supply back to the grid when their generation is synchronised accordingly.

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

## Reminder that SARS has released 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.

## Published court cases

SARS has published the following High Court judgement:

Date of delivery	Case	Relevant Legislation
12/06/2025	<a href="#">CSARS v Adamjee and Others</a> (2024/121210)	Tax Administration Act, 2011 Superior Courts Act, 2013
<b>Keywords:</b> Tax Administration Act 28 of 2011 (TAA) – sections 1, 6(3)(c), 59 and 60 of the TAA – Rule 6(12)(c) of the Uniform Rules of Court – section 16(2)(a)(i) of the Superior Courts Act 10 of 2013 – ex parte application – preservation order – curator bonis – senior SARS official – mootness doctrine – SARS search and seizure – authority to institute proceedings – challenge to SARS powers – settlement agreement in tax litigation – judicial oversight in tax enforcement.		

## Other SARS publications and announcements

No other legislative publications or announcements were issued by SARS during the week of 12 - 18 June 2025.

## OTHER MATTERS OF INTEREST FOR A TAX PRACTICE

No other matters pertinent to a tax practice have been released in the week of 12 - 18 June 2025.