

# TAXPRACTICE

## WEEKLY HIGHLIGHTS

WEEK OF 07 - 20 Aug 2025  
(Issue 31 -2025)

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### TOP STORIES

#### 2025 Draft Tax Bills and Regulations Released for Public Comment

As anticipated, National Treasury and SARS have jointly published the 2025 Draft Tax Bills and Draft Regulations for public comment. These documents outline the legislative amendments necessary to implement the tax proposals set out in Chapter 4 and Annexure C of the 2025 Budget Review, which require further consultation with the public.

National Treasury and SARS will engage with stakeholders as part of a broader consultation process on these proposed changes. The release of the draft bills marks a critical step in shaping sound and effective national tax legislation.

Members are strongly encouraged to review the [2025 Draft Tax Bills and Draft Regulations](#) and to participate actively in the consultation process, contributing to the development of meaningful and informed legislation.

Further information may be accessed [below](#).

#### Upcoming August Deadline: Provisional and Turnover Tax

Taxpayers (individuals, trusts, and companies) with a February year-end are reminded that the due date for the submission of the first provisional tax return and payment for the 2026 year of assessment is Friday, 29 August 2025.

The amount payable is calculated based on 50% of the total tax due on the estimated taxable income for the 2026 tax year. It is important to note that SARS must receive payment by no later than 29 August 2025. Payments received after the final business day of August will be deemed late, and a 10% penalty will be levied on the late payment of the first provisional tax payment.

Payment must be directly made on the taxpayer's registered SARS eFiling profile. For further guidance on provisional tax, please consult the [SARS Provisional Tax Guide](#).

Additionally, micro businesses with an annual turnover of R1 million or less that are registered for turnover tax are reminded that the first payment is calculated at 50% of the total tax payable on their estimated annual turnover for the 2026 tax year. This payment is also due on Friday 29 August 2025.

It is in the best interest of micro businesses to ensure that payments are made by the last business day of August to avoid potential penalties and interest.

For more information on Turnover Tax, read [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

### New PRN Feature on SOQS to Streamline Tax Payments

SARS has introduced a new functionality on SOQS that allows taxpayers to request a Payment Reference Number (PRN) directly through the platform. This enhancement is designed to simplify the process of making payments to SARS and ensure accurate allocation of funds.

A PRN is a 19-digit reference number that identifies the specific tax type and period for which payment is made. It is required when making payments to SARS via electronic funds transfer (EFT) or at bank branches. By using a PRN, taxpayers can ensure that payments are applied correctly, avoiding misallocation or delays in processing.

#### The tax types that will be covered by the PRN feature on SOQS:

- Income Tax
- Provisional Tax
- VAT (limited to period PRNs)
- PAYE/SDL/UIF (limited to period PRNs)
- Dividends Tax

#### *How to Use the Feature:*

Taxpayers can access the PRN function via the "[What is my Payment Reference Number](#)" section on the SOQS webpage. Once generated, the PRN can be used for payments via eFiling or at any bank using the preloaded SARS beneficiary options. For Personal Income Tax payments, the appropriate preloaded beneficiary is 'SARS-ITA'.

For detailed guidance, taxpayers may refer to the updated [SARS Online Query System \(SOQS\) Guide](#) available on the [SARS website](#).

### SARS Updates for Completing ITR12 Returns – 2025 Year of Assessment

On 19 August 2025, SARS advised taxpayers of the following updates relating to the completion of ITR12 returns for the 2025 year of assessment onward:

#### 1. Antedated Salary/Pension:

For amounts reported using source codes 3623/3673 ('antedated salary/pension' paid for previous years), the directive number is now mandatory in the income section of the IRP5 certificate.

#### 2. Exempt Dividends:

- o Local Dividends (Source code 4306): Will only appear next to the 'Exempt Local Dividends' field.
- o Foreign Dividends (Source code 4307): Will only appear next to the 'Exempt Foreign Dividends' field.

### 3. Capital Gains Tax:

Taxpayers in a partnership disposing of partnership assets during the year are required to declare only their portion of the proceeds and base cost on their ITR12 return.

### 4. Return Type for Foreign Nationals:

From 26 July 2025, all foreign nationals are issued a 'resident' ITR12 by default. Foreign nationals requiring a non-resident ITR12 must request the correct return type using the Non-resident Tax Return Type icon on SOQS.

For detailed guidance, taxpayers should consult the updated [IT-AE-36-G05 – Comprehensive Guide to the ITR12 Income Tax Return for Individuals – External Guide](#).

## Latest SARS Email Scam

SARS has identified a new phishing scam involving emails that appear to come from an address like the official eFiling notifications, such as [noreply@sars.gov.za](mailto:noreply@sars.gov.za). The subject line of the email is "PROCESS QUOTE LETTER", and it instructs recipients to "Please kindly process SARS letter for attention", with a link directing to a fraudulent website.

**Important To Note:** Do not click on the link. The website is designed to steal your personal information.

If you are unsure about the authenticity of an email:

- Hover over any links (as shown in the image below) to verify the website address.
- Check the [SARS Scams webpage](#) for the latest examples of phishing attempts and guidance on how to respond to suspicious emails.

From: [noreply@sars.gov.za](mailto:noreply@sars.gov.za) <[noreply@sars.gov.za](mailto:noreply@sars.gov.za)>  
Sent: Monday, 18 August 2025 18:38  
To:  
Subject: PROCESS QUOTE LETTER

Good Day,

Please kindly process SARS

[PROCESS LETTER HERE](#)

SARS TERM OFFICE

[https://url.za.m.mimecastprotect.com/v/fdhy6z2ncreq4bmigqgx\\_mdp?domain=transfer.jcloud.com](https://url.za.m.mimecastprotect.com/v/fdhy6z2ncreq4bmigqgx_mdp?domain=transfer.jcloud.com)  
Ctrl+Click to follow link

SCAM

## 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 requests for year-end changes.
2. Delays in finalising and payment of refunds.
3. Delays in finalising and issuing deceased estate compliance letters.
4. Delays in finalising requests for remission of penalties.
5. Delays in finalising bank verification letters.

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

On the 13th of August 2025, the SARS Gqeberha and Kariega branch held their third stakeholder meeting for 2025. Minutes of the meeting can be accessed [here](#).

## Upcoming RCB/SARS regional and national meetings

1. Gauteng – 21 August 2025
2. Eastern Cape – 29 August 2025
3. Western Cape – 3 September 2025
4. Mpumalanga – 5 September 2025
5. Free State and Northern Cape – 8 September 2025
6. Limpopo – 9 September 2025
7. Northern Region – 26 September 2025
8. Free State and Northern Cape – 10 November 2025 and
9. Eastern Cape – Gqeberha and Kariega – 12 November 2025
10. Gauteng – 20 November 2025.

### Other meetings of interest

1. RCB Forum meeting – 16 September 2025;
2. RCB Forum meeting – 11 November 2025; and
3. SARS National Operational Forum – 20 November 2025.

## DAILY COMPLIANCE AND ADMINISTRATION

### Due dates for reporting and payments: August 2025

Month	Date	Tax Type	Notification
August 2025	07/08/2025	Employment Taxes	<b>EMP201</b> - Submissions and payments
	25/08/2025	Value-Added Tax	<b>VAT201</b> - Manual submissions and payments
	29/08/2025	Value-Added Tax	<b>VAT201</b> - Electronic submissions and payments
	29/08/2025	Income Tax	<b>1st provisional (2026)</b> submissions and payments for individuals, trusts and companies with a February year-end
	29/08/2025	Turnover Tax	<b>1st TT02 (2026)</b> payments for micro businesses registered for turnover tax

### 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 identified in the week of 7 - 20 August 2025.

### Other SARS and related operational publications and announcements

## TAX PRACTITIONER MANAGEMENT

### SAIT TaxHelpline – Tax practitioner access and functionality (eFiling)

## Making Tax Information Accessible: SARS Leaflets for Easy Guidance

SARS is committed to ensuring that taxpayers and tax practitioners have easy access to accurate and practical information to manage their tax obligations efficiently. To support this, SARS is continuously updating its series of short, easy-to-read leaflets covering a wide range of topics. These resources are designed to empower taxpayers with the knowledge they need to navigate eFiling, understand assessments, and manage their personal and business tax matters confidently.

### The leaflets provide clear guidance on topics such as:

- [Everything you need to know about Filing Season 2025](#)
- [Do I need to submit a return?](#)
- [Get these self-help services via your mobile device](#)
- [Auto-assessment](#)
- [Why Was I Not Auto Assessed?](#)
- [How to update your personal details](#)
- [How to update your banking details](#)
- [Updating Security Contact Details](#)
- [Bring your own device](#)



- [Save a Trip and Skip the Queue](#)
- [How to register on SARS eFiling](#)
- [Notice of registration](#)
- [How to navigate the ITR12 wizard](#)
- [Late-filing penalties](#)
- [How to pay SARS debt on eFiling](#)
- [How to link your company to your personal SARS eFiling profile](#)
- [How to Claim Tax Credits for Disability-related Medical Expenses](#)
- [Travel Allowance](#)
- [Personal Income Tax Fraud](#)

## Key tax practitioner news

## Government & stakeholder newsletters

### SARS Publishes Issue 12 of SMME Connect

The SMME Connect Issue 12, published on 15 August 2025, newsletter underscores SARS's unwavering commitment to supporting the SMME sector. It celebrates the contributions of small businesses, facilitates access to SARS services, and offers crucial compliance reminders, especially ahead of the 31 August deadlines for Turnover Tax and Provisional Tax.

To read the full publication, click [here](#).

### SARS Publishes August Monthly Tax Digest

In the August 2025 issue of the Monthly Tax Digest, SARS continues its push for accessible and efficient tax compliance, offering invaluable guidance for taxpayers. SARS not only reminds taxpayers of the approaching Provisional Tax deadline, but it also equips taxpayers with the tools to:

- Update contact and banking information to avoid access or refund issues
- Correct mistakes on returns
- Efficiently submit required verification documentation digitally
- Educate on how to use digital channels (WhatsApp, MobiApp, USSD) for refund updates
- Stay compliant with provisional tax requirements to avoid unnecessary penalties

All the topics included in this digest were previously dissected in previous editions of the TPWH. To read the full publication, click [here](#).

## 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 7 – 20 August 2025.



# PART B – LEGISLATION & POLICY

## LEGISLATION, INTERNATIONAL AGREEMENTS & POLICY

### Tax policy & international agreements

#### National Legislation

#### Release of the 2025 Draft Tax Bills and Regulations for public comment

On 16 August 2025, the National Treasury and SARS jointly released the 2025 Draft Tax Bills and Draft Regulations for public comment. These documents outline proposed legislative amendments aimed at implementing key tax policy changes announced in the 2025 Budget Review.

The draft legislation includes amendments to the Income Tax Act, Customs and Excise Act, Value-Added Tax Act, Carbon Tax Act, and the Global Minimum Tax Act, among others.

#### Key proposed amendments include:

- Reducing the threshold for ring-fencing of assessed losses
- Tax treatment of foreign retirement benefits
- Refining the definition of “hybrid equity instrument” in section 8E to strengthen the anti-avoidance measures
- Reviewing asset-for-share and amalgamation transactions involving collective investment schemes to close loopholes
- Reviewing the VAT treatment of airtime vouchers supplied in South Africa for exclusive use in an export country
- Low-value importation of goods
- Phase 2 of the carbon tax
- Clarifying the meaning of the audit certificate to be issued by public benefit organisations
- Providing for a simplified customs entry regime for the entry of goods imported or exported for purposes of express delivery on a door-to-door basis
- Dutiability of waste derived from processing imported goods in manufacturing plants
- Providing for a customs and excise voluntary disclosure programme
- Enabling the VAT Modernisation Project
- Inspecting the business premises of a taxpayer applying for registration or approval
- Clarifying “bona fide inadvertent error” for purposes of understatement penalties

#### Draft Regulations published include:

- Draft Domestic Reverse Charge Regulations
- Draft Export Regulations
- Draft Explanatory Memoranda accompanying the above regulations

Members can access the full set of 2025 Draft Tax Bills and Draft Regulations on the [SARS website](#).

The deadline for public comment is 12 September 2025. SAIT Tax Technical and the SAIT Technical Workgroups will be submitting formal responses.

Members who would like to contribute are encouraged to send their input to [ksesana@thesait.org.za](mailto:ksesana@thesait.org.za) by 05 September 2025.

## LEGISLATIVE INTERPRETATION

### Legislative calls for comment

No other new calls for comment were released in the week of 7 - 20 August 2025.

### Submissions made to SARS and current calls for comment

No new submissions were made in the week of 7 - 20 August 2025.

### Legislative counsel publications

#### Reminder of Updated SARS Interest Rate Tables Effective 01 September 2025

SARS has published updated interest rate tables under the Income Tax Act, which are effective from 1 September 2025.

[Table 1](#): outlines interest rates applicable to outstanding taxes and refunds due to taxpayers under specific conditions.

[Table 2](#): lists the interest rates payable on credit balances.

[Table 3](#): outlines the rates at which interest-free or low interest loans are subject to income tax

These interest rate tables are updated regularly to reflect changes in the market and are critical for calculating interest on late payments or refunds. Taxpayers and practitioners should ensure that the latest interest rates are used for compliance and financial planning purposes.

This reduction is in line with the South African Reserve Bank decision on the 31st of July to cut the interest rates by 25 basis points. The interest rates are now 10.25% and 7% respectively and will remain at this rate until a change in the "prescribed rate" linked to the rate determined in terms of section 80(1)(b) of the Public Finance Management Act.

### Published court cases

No new court cases were published by SARS during the week of 7 - 20 August 2025.

### Other SARS publications and announcements

No other legislative publications or announcements were issued by SARS during the week of 7 - 20 August 2025.

### OTHER MATTERS OF INTEREST FOR A TAX PRACTICE

No other matters of interest for a tax practice were identified during the week of 7 - 20 August 2025.