

TAXPRACTICE

WEEKLY HIGHLIGHTS

WEEK OF 20 - 26 November 2025
(Issue 45 -2025)

TABLE OF CONTENTS

MEMBERS' DIGEST	4
PART A: COMPLIANCE & SARS OPERATIONS	6
SAIT-SARS 'ON-THE-GROUND' ENGAGEMENT	6
SAIT TaxHelpline – escalations	9
SARS regional and national operational meetings	9
Upcoming RCB/SARS regional and national meetings	9
DAILY COMPLIANCE AND ADMINISTRATION	10
Due dates for reporting and payments: November 2025	10
SAIT member resources	10
Key operational news	10
Other SARS and related operational publications and announcements	11
TAX PRACTITIONER MANAGEMENT	11
SAIT TaxHelpline - Tax practitioner access and functionality (eFiling)	11
Key tax practitioner news	12
Government & stakeholder newsletter	13
Other tax practitioner access and functionality publications and announcements	14
PART B – LEGISLATION & POLICY	15
LEGISLATION, INTERNATIONAL AGREEMENTS & POLICY	15
Tax policy & international agreements	15
National legislation	15
LEGISLATION INTERPRETATION	15
Legislative calls for comment	15
Submissions to SARS and current calls for comment	16
Legislative counsel publications	16
Other SARS publications and announcements	17
OTHER MATTERS OF INTEREST FOR A TAX PRACTICE	17

TOP STORIES

Call for Comments: Proposed Online Gambling Tax

The National Treasury has released a draft discussion paper proposing a new national online gambling tax in response to the rapid expansion of online betting in South Africa. The growth of online gambling, driven by technological developments, increased internet access, and mobile platforms, has intensified concerns around the problem of gambling and its associated social costs.

To address these externalities and better regulate the rising volume of online gambling, Treasury proposes the following:

- *Introduction of a national tax on gross gambling revenue (GGR):*
This tax would serve to internalise the externalities linked to problem gambling. It would apply in addition to existing provincial taxes on GGR (calculated as total turnover less winnings paid to players).
- *Extension beyond traditional provincial scope:*
While provincial levies currently apply mainly to on-premises gambling activities, with some coverage of online betting through licensed bookmakers (such as betting on sports or horse racing), these tax rates remain relatively low.
- *International benchmarking:*
Treasury notes that 11 other jurisdictions levy a 20% tax on GGR, with a further 16 jurisdictions applying even higher rates. In South Africa, the proposed national tax would be in addition to provincial rates, resulting in a combined tax of 26–29%. At current levels of gross gambling revenue, a proposed 20% national tax could generate over R10 billion additional revenue for the national government.
- *Policy objective:*
Despite the potential revenue, Treasury emphasises that the main objective of this reform is not to raise additional revenue, but to discourage problem and pathological gambling and mitigate its social consequences.
- *Administrative Considerations:*
Local online betting operators will need to register with SARS and provide information similar to what is currently submitted to provincial gambling boards, thereby simplifying compliance and administration. Operators engaged in illegal interactive gambling will also be liable for the proposed tax on revenue from those activities.

SAIT will be preparing a consolidated submission on the discussion paper. Members wishing to include their input in SAIT's submission are invited to submit comments to ksesana@thesait.org.za by no later than 16 January 2026. The full discussion paper can be read [here](#).

SARS Launches Large Business Forum

The South African Revenue Service (SARS) formally launched its Large Business Forum on 24 November 2025. The Forum aims to deepen engagement with South Africa's largest corporate taxpayers, the "Large & International Business" (LBI) segment, which contributed R600 billion in the 2024/25 financial year.

The Forum's objective is to simplify compliance for major corporations, strengthen relationships, and create a structured platform for collaboration. SARS expects this engagement to help manage risk, build trust, and make corporate tax compliance more straightforward.

Specifically, the Forum will:

- Enable the sharing of perspectives and challenges through sector-focused forums.
- Help the LBI gain deeper insights into the economic, commercial and global pressures affecting large businesses.
- Assess the effectiveness and efficiency of the LBI service offering.
- Share SARS concerns regarding compliance risks, aggressive tax planning and illicit activities.
- Provide thought leadership on the practical implications of tax reforms, and
- Strengthen relationships between SARS and large businesses.

The Forum will establish its own terms of reference, deciding how often it meets, how it will operate, and how business will be conducted. The full media statement can be accessed by members [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.

Approximately 500 – 1500 words

MEMBERS' DIGEST

The Ghanaian Telecommunication Sector

Written by: Jannie Seaward,
Chartered Tax Adviser (SA)



Ghana's telecommunications sector has undergone significant tax reforms between 2022 and 2026. These changes include the introduction and repeal of the Electronic Transfer Levy (E-Levy), comprehensive VAT reforms, and the continued application of the Communication Service Tax (CST). This document outlines the key developments and their implications for telecom operators, with references confirmed by the Ghana Revenue Authority (GRA).

Key Implications for the Telecom Sector

E-Levy Abolished

Effective April 2025, the Electronic Transfer Levy (E-Levy) which taxed mobile money and digital transactions, was officially repealed. This directly benefits telecom operators offering mobile money services (e.g., Mobile Money), as it reduces transaction costs for users, encourages higher volumes of digital payments, and improves customer retention and usage.

VAT Reforms Announced

The government committed to comprehensive VAT reforms in 2025, targeting the abolition of the COVID-19 Levy (1%) and reintegration of National Health Insurance Levy (NHIL) and Ghana Education Trust Fund (GETFund) levies into VAT, allowing businesses to claim input

tax credits. For telecoms, this means a lower effective VAT rate (from 22% to closer to 15%), improved cash flow due to reclaimable input VAT, and reduced compliance complexity.

Still Under Review

While the reforms are announced and partially enacted, full implementation of VAT restructuring (especially input credit eligibility) is expected to roll out progressively through 2025 and into 2026.

Challenges in Ghana's VAT System

Ghana's official VAT rate stands at 15%, yet due to supplementary levies, the effective rate approximates 22%. These additional charges encompass the GETFund Levy (2.5%), the NHIL (2.5%), and the COVID-19 Levy (1%). Such extra levies escalate costs for businesses and ultimately lead to increased prices for consumers.

A significant challenge that businesses encounter is the inability to claim input tax credits on these levies. In contrast to conventional VAT systems where businesses can reclaim input VAT to mitigate their expenses, the existing framework prohibits claims on NHIL, GETFund, and the COVID-19 Levy. "In addition to the elevated VAT rate, businesses are legally barred from claiming their input for the NHIL, GETFund Levy, and COVID-19 Levy, exacerbating the burden on households," Dr Forson elucidated.

To tackle these challenges, the finance minister has proposed substantial reforms aimed at streamlining the VAT system and alleviating its effects on businesses and households. A pivotal change is the elimination of the COVID-19 Levy, which will promptly reduce the effective VAT rate. This initiative is anticipated to render goods and services more affordable for consumers while alleviating the financial pressure on businesses.

Another significant reform entails reinstating the connection between the GETFund and NHIL with VAT. Presently, these levies are treated independently, hindering businesses

from claiming input tax credits on them. By reintegrating them into the VAT system, businesses will gain the ability to claim these credits, thereby effectively lowering their tax obligations and costs.

Furthermore, the government intends to reorganise the VAT system to decrease the overall effective rate. At present, the amalgamation of various levies results in a VAT burden of approximately 22%, despite the official rate being 15%. Through these modifications, the government seeks to alleviate the tax burden on both businesses and consumers.

The reforms encompass the removal of the VAT flat rate regime, which applies to specific sectors. This system will be phased out to promote a more consistent and efficient tax framework. The government is of the opinion that this modification will foster a fairer and more transparent environment for businesses spanning various industries.

Additionally, the government intends to increase the VAT registration threshold, thereby exempting micro and small enterprises from the obligation to collect VAT. This initiative aims to alleviate the administrative load on smaller businesses, enabling them to concentrate on expansion and operations without the intricacies of VAT compliance.

Communication Service Tax (CST)

The Communication Service Tax (CST) remains at a rate of 5% and is levied on charges for the use of electronic communications services provided by telecom operators. It was established under the Communications Service Tax Act, 2008 (Act 754), and amended by Act 864 and Act 1025. CST revenue supports national programs such as the National Youth Employment Programme.

As part of broader telecom tax reforms, the government is reviewing the cumulative tax burden on telecom services, which includes CST, VAT, NHIL, GETFund, and other levies.

The objective is to reduce consumer costs, encourage digital inclusion, and improve service delivery. While CST has not yet been adjusted, it remains under consideration in ongoing policy discussions.

Conclusion

The Ghanaian telecom sector is transitioning toward a more equitable and efficient tax structure. With the repeal of the E-Levy and ongoing VAT reforms, telecom operators are expected to benefit from reduced tax burdens and improved operational efficiency. Full realisation of these reforms is anticipated by 2026, marking a pivotal shift in the fiscal landscape.

PART A: COMPLIANCE & SARS OPERATIONS

SAIT-SARS 'ON-THE-GROUND' ENGAGEMENT

Understanding SARS' High Wealth Individual (HWI) and Large Business & International (LBI) Segments

South Africa's tax landscape includes specialised units to support taxpayers with complex financial affairs: the High Wealth Individual (HWI) Unit and the Large Business & International (LBI) Segment. Both units provide targeted services designed to enhance compliance, streamline interactions, and deliver value to taxpayers with sophisticated needs.

High Wealth Individuals (HWI)

- Definition:

A High Wealth Individual is defined as a person with gross assets of R75 million or more, often with multi-jurisdictional income streams, intricate financial structures, and complex tax obligations requiring specialised oversight.

- Mandate of the HWI Unit:

The HWI Unit aims to deliver tailored, value-driven services to South Africa's wealthiest taxpayers, including:

- o Providing personalised services for complex tax affairs
- o Building professional partnerships between taxpayers and SARS
- o Efficiently resolving tax queries while ensuring compliance

- Value Proposition:

1. Differentiated Service

Each HWI is assigned a dedicated Relationship Manager, ensuring consistent engagement and transparent communication with SARS.

2. Operational Excellence

Specialised teams manage complex tax products, multi-jurisdictional compliance, and intricate financial structures with precision and expertise.

3. End-to-End Service

The HWI Unit coordinates compliance across the entire tax ecosystem for seamless management of obligations and interactions.

- Submitting Queries:

All HWI queries should be sent to: hnwiqueries@sars.gov.za

- Include supporting documentation
- Automatic acknowledgement is issued upon receipt
- Escalations follow the official HWI Relationship Management guidelines on the [SARS website](#).

Large Business & International Business (LBI)

- Scope and Mandate:

- o The LBI Segment supports large, complex enterprises across sectors such as: Financial Services, Mining, Manufacturing, Construction, Telecommunications, Retail, Primary Sector (including State-Owned Entities), and General Sector
- o The unit provides sector-specific oversight and specialised services to ensure compliance and efficient resolution of tax matters.

- Who Qualifies as a Large Business?
 - Individuals or companies with a turnover exceeding R1 billion
 - Listed companies or multinational enterprises (including e-commerce/foreign electronic service providers)
 - Financial services groups with turnover > R500 million
 - Mining groups with a turnover of > R500 million
- Relationship Management:
 - Each taxpayer is assigned a Relationship Manager (RM) as the main point of contact.
 - Sector Leads provide industry-specific support and handle escalations.
 - Teams include Senior Managers (strategic oversight), Relationship Managers (client champions), and Operations Managers (query resolution support).
- Submitting Queries:
Sector-specific mailboxes:
 - Retail: LBqueries.Retail@sars.gov.za
 - Communications: LBqueries.Communications@sars.gov.za
 - Construction: LBqueries.Construction@sars.gov.za
 - Financial Services: LBqueries.Financial@sars.gov.za
 - General Sector: LBqueries.General@sars.gov.za
 - Manufacturing: LBqueries.Manufacturing@sars.gov.za
 - Mining: LBqueries.Mining@sars.gov.za
 - Primary Sector: LBqueries.Primary@sars.gov.za

For escalations, consult official guidelines under Relationship Management on the [SARS website](#).

The High Wealth Individual (HWI) Unit and the Large Business & International (LBI) Segment can also submit queries on the SARS Online Query System using the functionality [LBI Query](#).

The SARS Voice Channel and SARS branches cannot assist with HWI or LBI cases. The Western Cape region shared this presentation to remind taxpayers who fall within this segment and their tax practitioner to use the specialised channels listed above.

Reminder: Troubleshooting Guidance - VAT and PAYE Biometric Registration Issues

SARS has implemented Phase 2 of the Biometric Verification process, extending biometric authentication to VAT and PAYE registrations submitted via eFiling.

When submitting VAT or PAYE registration requests, individuals and registered representatives are now required to complete facial biometric authentication using a camera-enabled device. If the biometric match fails, a verification case is automatically created, requiring the submission of supporting documents or, in some instances, a visit to a SARS branch.

For practitioners, clients must authorise the registration biometrically on the SARS website using the instructions and unique code sent to them via email. Practitioners are encouraged to ensure that clients' eFiling contact details are accurate and up to date so they can receive these notifications without delay.

During the Eastern Cape and KwaZulu-Natal practitioner meetings, SARS provided an informative update on common challenges relating to VAT and PAYE product registrations and biometric verification. The regions highlighted recent fixes and shared troubleshooting guidance for recurring issues.

1. Fixes Implemented on 14 November 2025

SARS implemented system fixes on 14 November 2025 to address the errors listed below. Taxpayers and practitioners who continue to experience these issues should contact support@sarsefiling.co.za.

- Error: "An error has occurred submitting your information. Please try again later."
 - Error: "This functionality is currently unavailable, please try again later."
 - Error: "Unauthorised change is being attempted and may not be allowed. BIOAUTH."
2. Message: "A request for authorisation is already pending, please come back to submit the form once approved."

This message indicates that the registration request is awaiting authorisation from the individual or registered representative. Practitioners must wait for the approval before attempting to resubmit. At present, no notification is sent to the practitioner once authorisation is completed, so they must rely on the individual or representative for confirmation once done.

3. Error Type: "Your tax request could not be sent for approval; approver's contact details could not be found."

SARS has identified several common reasons for this error:

- Contact details updated, but security contact details not updated.
Ensure that both contact and security contact details are correctly updated on eFiling.
- Registered representative not updated.
Confirm that the organisation's registered representative is correctly appointed and that their details are accurate.
- Registered representative not registered on eFiling.
The representative must have their own active eFiling profile. This will ensure that the registered representative has security details.
- Registered representative has multiple profiles (multi-party ID).
Merge duplicate profiles on eFiling before submitting the registration request.

Practitioners who continue to experience challenges after applying the steps above are encouraged to contact the SARS eFiling support team at support@sarsefiling.co.za for further assistance.

Reminder: Implementation of Mandatory Income Tax Numbers

Employers are reminded that, effective February 2026, PAYE reconciliations cannot be submitted without valid income tax reference numbers for all employees who are required to register in terms of section 67 of the Income Tax Act.

At present, missing income tax reference numbers only generate warnings in e@syFile™, giving employers an opportunity to correct the information. However, from the 2026 filing season, this functionality will no longer be available. Reconciliations submitted without valid income tax reference numbers will be rejected, and non-compliance may result in administrative penalties.

Employees can register themselves for income tax by:

- Registering for [eFiling](#)
- Registering via the [SARS Online Query System](#)
- Registering via SMS by dialling *134*7277#
- Registering via WhatsApp by texting "Hi" to 0800 11 7277

Employers can register their employees for income tax using SARS eFiling, e@syFile™ employer for bulk registrations, or by visiting a SARS branch. Guidance on how to request tax reference numbers on eFiling or e@syFile can be accessed [here](#).

SAIT TaxHelpline – Escalations

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

The most urgent escalations this week include:

1. Delays in finalising and the payment of refunds.
2. Delays in finalising income tax verifications and objections.
3. Delays in finalising registered representative requests.
4. Delays in finalising and issuing deceased estate compliance letters.

SAIT continues to engage with SARS at both regional and national levels and on a case-by-case basis regarding the escalations mentioned above. Feedback is communicated directly to 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 19 November 2025, the Western Cape region held their final regional meeting for 2025. Minutes of the meeting will be available in the next edition of the Weekly.

On 20 November 2025, the Gauteng region held their final regional meeting for 2025. Minutes of the meeting will be available in the next edition of the Weekly.

Upcoming RCB/SARS regional and national meetings

1. Eastern Cape – 28 November 2025
2. Northern Region – 01 December 2025
3. Mpumalanga [Emalahleni] Region – 01 December 2025
4. North West – 05 December 2025
5. Limpopo – 09 December 2025
6. Western Cape – 04 March 2026
7. Free State and Northern Cape – 09 March 2026
8. Free State and Northern Cape – 08 June 2026
9. Free State and Northern Cape – 07 September 2026
10. Free State and Northern Cape – 09 November 2026

Other meetings of interest

1. SARS National Operational Forum – Tentatively scheduled for January 2026
2. RCB Forum Meeting – 03 March 2026
3. RCB Forum Meeting – 02 June 2026
4. RCB Forum Meeting – 15 September 2026
5. RCB Forum Meeting – 10 November 2026

DAILY COMPLIANCE AND ADMINISTRATION

Due dates for reporting and payments: November 2025

Month	Date	Tax Type	Notification
November 2025	07/11/2025	Employment Taxes	EMP201 - Submissions and payments
	25/11/2025	Value-Added Tax	VAT201 - Manual submissions and payments
	28/11/2025	Value-Added Tax	VAT201 - Electronic submissions and payments

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

Turnover Tax Registration

SARS has added a new functionality on the SARS Online Query System (SOQS). From 25 November 2025, taxpayers can register online for Turnover Tax through [SOQS](#). Taxpayers will be required to submit the Turnover Tax application form (TT01), certified ID, proof of address and other documents, such as a letter and power of attorney if they are a tax practitioner applying on behalf of their client.

For more information on the administration of Turnover tax, the full guide can be accessed [here](#).

Additional Dispute Resource

SARS has released a new step-by-step video, which guides taxpayers and tax practitioners on how to lodge a dispute or objection on eFiling. This video reminds taxpayers and tax practitioners of how they cannot object to a self-assessment where no revised assessment has been raised by SARS and how, in this scenario, a request for correction would be the appropriate channel.

How to lodge a dispute on eFiling:

- Log in to eFiling.
- Click “Returns” on the top menu.
- Scroll down on the left menu and select “Disputes/Suspension of Payment.” Selecting the above opens a sub-menu where a “New” dispute can be lodged or “View Saved or Submitted” dispute can be viewed.

- Click on “New” to lodge a new dispute.
- Select “Tax Type” and “Period” you would like to file a dispute for.
- Click on “Next”.
- Click on “Dispute” if you wish to dispute the assessment.
- Select the source code you are disputing and capture the requested value for your dispute.
- At the bottom of the page, under the Reason/Grounds heading, provide reasons for your dispute.
- Select “Period” on the right-hand side of the page.
- Click “Next” to update representative details.
- If the details of the representative have changed or do not appear on the screen, select “N” on the first question.
- For the second question, select “Y” if you wish to amend taxpayer details. This selection will open the taxpayer details tab to make changes to the contact details. Capture the Cell No, Alternative No and Email.
- For the third question, select “Y” if you wish to amend representative details. This selection will open the representative details tab to make changes to the contact details. Capture the details of the person dealing with the dispute on behalf of the taxpayer.
- Click on “Save Data” to save changes and proceed to the next page.
- You may select Suspension of Payment when lodging a dispute.

This function allows you to request SARS to suspend the payment of disputed debt until the dispute is resolved.

- On the disputes work page, a supporting documents section will be available where all relevant supporting documents must be attached to support the submission of the dispute.
- Click on “Supporting Documents” to upload your supporting documents.
- Click “Choose File” to choose documents from your devices, and then click “Upload.”
- Once all supporting documents have been uploaded, click “Submit to SARS” at the bottom of the work page.
- If Suspension of Payment has been selected, a supporting document must also be uploaded to accompany the request.
- Upload the supporting documents for the suspension of payment. When you are done, click the “Submit to SARS” button.
- Then click on the “Submit” button to submit the dispute to SARS.
- A confirmation screen will appear; your dispute request has been sent to SARS – click “Continue” to proceed.
- The next screen will show you the dispute and suspension of payment as both “Submitted.”

Other SARS and related operational publications and announcements

Reminder: November Monthly Tax Digest

SARS has published the latest edition of the monthly tax digest. This issue focuses on educating taxpayers on understanding their tax responsibilities and objections. It also reminds employers of the implementation of mandatory income tax reference numbers and reminds taxpayers of the importance of being compliant.

The full edition can be read [here](#).

TAX PRACTITIONER MANAGEMENT

SAIT TaxHelpline – Tax practitioner access and functionality (eFiling)

No new Tax practitioner access and functionality (eFiling) were noted during the week 20 – 26 November 2025.

Issue 68 of Tax Practitioner Connect

This edition highlights key deadlines and updates:

- Trust returns (ITR12T) due 19 Jan 2026
- Second provisional tax due 28 Feb 2026
- Biometric eFiling updates for those with OTP issues

Other updates include e@syFile™ Employer release notes, VAT rules for foreign suppliers, third-party admin penalties, and section 18A receipt changes.

Also featured: a video on managing tax debt and news on South Africa exiting the FATF grey list. Links to SARS' annual and strategic reports are provided for further insight. Practitioners can access the full edition [here](#).

Reminder on Important Update: Stay Compliant, Stay Empowered

Compliance is not just a legal requirement; it is the cornerstone of professionalism. According to Section 240A of the Tax Administration Act 28 of 2011, all Tax Practitioners are legally obliged to register with a Recognised Controlling Body (RCB) and the South African Revenue Service (SARS). Failure to comply with this statutory requirement constitutes a criminal offence.

SAIT's Role and Current Compliance Measures

SAIT is mandated to set and uphold Professional Standards by evaluating, implementing, monitoring, and enforcing compliance with industry-specific legislation, regulations, and ethical codes. To fulfil this mandate, SAIT conducts:

- Annual member compliance updates on renewal (stronger enforcement on 2026)
- SARS Compliance Audit (statutory requirement and key enforcement tool)

Important: All members must maintain compliance. It is their professional prerogative. SAIT's Compliance Team remains available to assist members in meeting these obligations.

Recent Developments and Key Compliance Obligations

Non-compliance places a member's ability to practice at risk and undermines SAIT's legislative mandate. To strengthen the compliance culture, SAIT requires members to:

- Complete and submit the annual SAIT Membership Compliance Declarations.
- Maintain compliance with SARS registration and retention requirements.
- Honour their Continued Professional Development (CPD) obligations.

Causes of Non-Compliance

Non-compliance may arise from:

- Failure to provide updated compliance documentation upon request and/or annually at renewal of membership.
- Consistent failure to pay annual membership fees.
- Breach of membership terms and conditions and codes.
- Failure to comply with directives of the Institute (Secretariat, Compliance Office or Disciplinary Structures).
- CPD non-compliance.

Consequences of Non-Compliance

The SAIT Compliance Officer may impose:

- Suspension of Membership: Automatic suspension for members found non-compliant during SAIT or SARS compliance audits.
- Termination of Membership: Persistent non-compliance or CPD default exceeding two compliance cycles (24 months).
- Listing on the Register of Non-Compliant Members: May be published on SAIT's official website and shared with SARS and other RCBs. Members must always maintain their Good Standing.
- Imposition of Costs: Members whose non-compliance leads to suspension, termination, or SARS-mandated deregistration may incur costs.

Critical Update on SARS Deregistration: Remain Compliant to Remain Empowered

If SARS deregisters a member, SAIT cannot reinstate membership until the mandatory six-month deregistration period has lapsed.

Compliance is not just a legal requirement; it is a cornerstone of professionalism. SAIT views compliance as a value-added service that enhances the membership experience and future-proofs the tax profession.

Support Available

If you experience challenges with compliance or accessing CPD resources, the SAIT Education and Compliance departments are ready to assist.

The SAIT Legal and Compliance team would like to thank you for your attention and commitment to compliance!

Government & stakeholder newsletters

November Government Connect Newsletter

On 20 November 2026, SARS published the November edition of the Government Connect. This edition focuses on the following:

- Filing Season for Trusts
- Update on Contact Details on eFiling
- Keep Your Details Up to Date with SARS
- Updated e@syFile™ Employer version 8.0.1_328
- Updated Guide for Foreign Supplier of Electronic Services
- Activation for Third-Party Appointments (TPAs) for Personal Income Tax (PIT) Admin Penalty Debt
- S18A Tax Deductible Receipts
- Media Statement on Roy Muleya's Sequestration
- South Africa's Exit from FATF Grey List
- SARS' Annual report and Strategic Plan End-term Report for 2020 to 2025

The topics have been addressed in previous weekly newsletters. Members can read the Government Connect [here](#).

Other tax practitioner access and functionality publications and announcements

Limited Branch Capacity During the Festive Season

During the Western Cape regional meeting, practitioners were advised that SARS branches will operate at approximately 60% capacity throughout December to accommodate both taxpayer requirements and staff leave arrangements. Consequently, the availability of appointments will be reduced during this period.

Practitioners and taxpayers are therefore encouraged to utilise alternative channels, including the SARS Online Query System (SOQS), to ensure the timely resolution of queries.

PART B – LEGISLATION & POLICY

LEGISLATION, INTERNATIONAL AGREEMENTS & POLICY

Tax policy & international agreements

National Legislation

LEGISLATIVE INTERPRETATION

Legislative calls for comment

Loan, Advance or Credit Granted to a Trust by a Connected Natural Person

SARS has published the draft interpretation note for public comment. This note provides guidance on the interpretation and application of section 7C, which targets interest-free or low-interest loans, advances, or credit granted by a connected person to a trust (with certain exclusions). It deems the interest waived by the lender to be a continuous donation for as long as the interest-free or low-interest loan remains outstanding.

Members are encouraged to read the [full draft interpretation note](#) and submit any relevant comments to ksesana@thesait.org.za by 06 January 2025.

Reminder on The Meaning of “Deemed to be One and the Same Person” for Wear-and-Tear Allowance

SARS has published the draft interpretation note for public comments. This note sets out the interpretation of the meaning of “deemed to be one and the same person” for determining the entitlement to the wear-and-tear allowance under an amalgamation transaction.

This [Interpretation Note](#) provides guidance on the interpretation and application of the phrase “deemed to be one and the same person” as it appears in section 44(3)(a) of the Income Tax Act.

The Note specifically addresses which party to an amalgamation transaction may be entitled to the wear-and-tear allowance in the year of assessment when an allowance asset is disposed of.

It is important to note that this guidance is focused only on the deemed “one and the same person” status and does not consider the corporate rules or the detailed requirements for the wear-and-tear allowances.

Members are encouraged to study the full draft note and submit any relevant comments to ksesana@thesait.org.za by 19 December 2025.

Reminder on Income Tax Exemption: Registered Political Party

SARS has published the draft interpretation note for public comment. This draft interpretation note provides essential guidance on the interpretation and application of the income tax exemption under section 10(1)(cE) of the Income Tax Act.

This is a comprehensive guide to understanding the scope and requirements for registered political parties to claim this exemption. Members are encouraged to read the full details of this draft note and submit comments to policycomments@sars.gov.za by 02 January 2026.

Submissions made to SARS and current calls for comment

Call for Member Input: Beneficial Ownership Submission to SARS

SAIT, together with the RCB Forum, is preparing a submission to SARS regarding the limited guidance provided on beneficial ownership and the practical challenges members have encountered when submitting this information on tax returns.

The requirement to disclose beneficial ownership information was introduced in South Africa in response to recommendations from the Financial Action Task Force (FATF), aimed at enhancing transparency and combating money laundering and the financing of terrorism. Despite this, many taxpayers and practitioners have experienced difficulties due to unclear guidance and practical implementation issues.

We invite members to share their experiences, concerns, or suggestions to be included in the submission. Please submit your comments to technical@thesait.org.za by no later than 03 December 2025.

Legislative counsel publication

New Table of Interest Rates

- SARS published the following Table 3, which relates to the rates at which interest-free or low-interest loans are subject to income tax

Table	Description
Table 3	Rates at which interest-free or low interest loans are subject to income tax Updated on 20 November 2025 The South African Reserve Bank changed the “repo rate” on 20 November 2025, effective 1 December 2025

New Binding Private Rulings

During the week of 20 – 26 November, SARS published Binding Private Ruling (BPR) 421 and 422.

Number	Legislation	Subject
BPR 422	Income Tax Act, 1962	Lump sum from a foreign fund
BPR 421	Income Tax Act, 1962	Withdrawal from a superannuation fund situated outside South Africa
BPR 420	Income Tax Act, 1962	Application of section 8EA(3)
BPR 419	Income Tax Act, 1962	Corporate restructuring – Amalgamation transaction
BPR 418	Income Tax Act, 1962 Value-Added Tax Act, 1991 Transfer Duty Act, 1949	Asset-for-share transfer involving close corporation

BPR 417	Income Tax Act, 1962	Distribution of funds in the furtherance of objectives
BPR 416	Income Tax Act, 1962 Value-Added Tax Act, 1991	Transfer of reinsurance business from a resident company to a local branch of a foreign company

Published court cases

Inhlakanipho Consultants (Pty) Ltd v CSARS (A333/2024)

Date of Delivery	Applicable legislation
25 November 2025	Tax Administration Act, 2011
Summary Tax Administration Act 28 of 2011 – Parties bound by agreement entered into lawfully – agreement represented the final agreed position between the parties – intention of the parties can be ascertained from the agreement – intention was a settlement of the appellant’s liabilities of the specified periods – confidence in agreements entered with SARS and its abiding with the terms of those agreements is paramount – appeal upheld. Case No: A333/2024	

Other SARS publications and announcements

No other SARS related operational publications and announcements were noted during the week 20 – 26 November 2025.

OTHER MATTERS OF INTEREST FOR A TAX PRACTICE

OTO Virtual Workshop

On 26 November 2025, the OTO conducted a virtual workshop to review stakeholder comments on the draft eFiling Profile Hijacking Report. The meeting agenda can be accessed [here](#). A comprehensive report summarising the feedback shared by the OTO will be published in the next edition of the Weekly Highlights.