



South African Revenue Service

Dear Taxpayer

Enhancements to the Income Tax Return for Trusts (ITR12T) and SARS eFiling

The Trusts Filing Season will start on 01 July when the Income Tax Return for Trusts (ITR12T) will become available for completion and submission to the South African Revenue Service (SARS). This submission will be in respect of the year of assessment ending on 28 February 2019.

To complete your ITR12T you will need to be aware of the following:

Supporting documents and additional information

The following documents, which are applicable to a Trust, must be present if you are eFiling or if you are going to file at a SARS branch:

- Financial statements and/or administration deductions.
- All certificates and documents relating to income and deductions.
- Proof of any tax credits claimed.
- Particulars of assets and liabilities.

Remember to keep all your supporting documents for five years. SARS may request the documents if verification is required.

- Please complete the following schedules, where applicable, as you will be required to upload these in respect of your ITR12T submission:
 - If the Trust was engaged in mining or mining operations as defined in section 1 of the Income Tax Act, complete Schedules A and B available on the SARS website www.sars.gov.za
 - If the Trust, together with any connected person in relation to the Trust, holds at least 10% of the participation rights in any controlled foreign company (CFC), complete the IT10 schedule available on the SARS website.

To upload the supporting documents via eFiling, click **“Upload supporting documents”** once you are ready to submit your return.

Maintaining registered particulars of the Trust

- Before completing the ITR12T, you are required to verify several information and particulars of the Trust.
- Ensure that the contact, address, banking and Trustee details of the Trust are correct by updating where required on the Registration, Amendments and Verification Form (RAV01). You can verify and update the RAV01 details by:

- Clicking on “Maintain Registered Particulars” on eFiling. SARS may request you to come into a branch to verify any changes to the banking details, which may have been done via eFiling
or
- Visiting a SARS branch. Please consult the RAV01 guide on the SARS website to prepare the required mandatory supporting documents (relevant material), when updating banking and Trustee details at a SARS branch.

How to submit the ITR12T

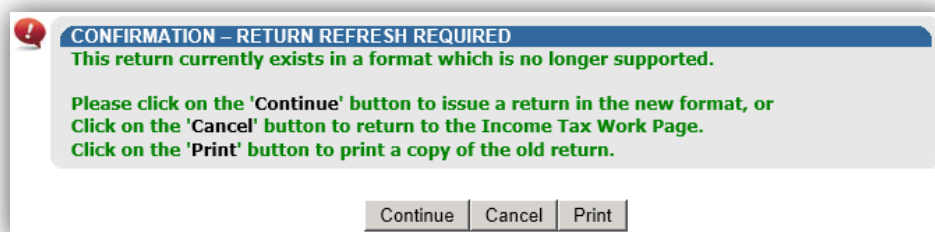
You can submit the ITR12T via the following channels:

- eFiling: If you have not yet registered for eFiling, you are encouraged to do so, as this will enable you to complete and submit the return online in a secure environment.
- SARS branch: If you are representing a Trust with ten or fewer beneficiaries, you have the option to have the ITR12T return captured by an agent at the branch. SARS branches no longer print the ITR12T, so please print the return and complete all the required fields prior to visiting the branch. You can download the ITR12T return from eFiling. You may login to eFiling via the SARS website www.sars.gov.za.
- Manually completed and posted ITR12Ts are no longer accepted by SARS.

IMPORTANT CHANGES TO ITR12T SUBMISSIONS FROM 16 SEPTEMBER 2019

As part of SARS’ ongoing efforts to promote compliance by increasing the efficiency and ease of doing business with SARS, several changes have been made on the eFiling platform, which will result in changes to the look and feel of the ITR12T. Taxpayers will therefore need to note the following, before completing the Income Tax Return for Trusts (ITR12T):

- As from 1 July 2019 SARS eFiling will be only accessed via www.sars.gov.za, and no longer via www.sarsefiling.co.za
- The legislative changes applicable to Trusts will form part of the updated ITR12T available as from 16 September 2019. However, if you submit the existing ITR12T between 1 July and 16 September 2019 none of the new fields will be presented for completion.
- If you saved the existing ITR12T between 1 July and 16 September 2019 and then continue on or after 16 September, you will be presented with the following options



- The ITR12T form will no longer look the same as in previous years, as it was redesigned when SARS moved from Adobe to HTML software. The objective of this move was to update our platforms in line with industry benchmarking, and enhance the user experience on eFiling.

- If your internet browser is not compatible with the HTML version of eFiling, you will receive a message informing you to download a browser which will give you the most optimal eFiling experience.

Changes to the ITR12T

- **Amendment of section 6quat of the Income Tax Act, No 58 of 1962 (“the Act”)**
A new wizard question and field within the ITR12T will be introduced to ensure that the ordering rules for claiming foreign tax credits (s6quat(1C)) and tax deductible donations (s18A) are applied correctly and in line with the amendments made to the Act.
- **Section 7F – Deduction of interest repaid to SARS**
Legislation was introduced in 2017 regarding the time and accrual of interest payable by SARS to a taxpayer (s7E). However, the taxpayer may repay that interest, wholly or partly, to SARS in subsequent years. A new section 7F is introduced in the Act to make provision for these circumstances.
Therefore, a new wizard question catering for a deduction of interest repaid to SARS (s7F) will be included in the ITR12T.

The Notice of Assessment for Trusts (ITA34T) will now also reflect a SARS interest rolling balance amount.

- **Cryptocurrencies**
Due to the definition of financial instruments in the Act being extended to include cryptocurrencies, the ITR12T will now include a field which taxpayers must use to indicate whether they had any cryptocurrency transactions relating to any local business and trading declared on the ITR12T, and whether a profit or loss resulted in any of these transactions and the corresponding amounts.
- **Capital Gains**
New wizard questions and fields have been added to the ITR12T to cater for the declaration of capital gains received from other Trusts.
- **Income received from a Foreign Trust**
New fields have been added to the ITR12T to allow for the declaration of income received from a foreign Trust.
- **Mining schedule**
Taxpayers that submit via eFiling will now have to confirm that a mining schedule and/or IT10 (where applicable) was attached as a supporting document(s) to the ITR12T. Links to the applicable documents will be available.

For more information, please visit the Trust page on the SARS website www.sars.gov.za, or contact the SARS Contact Centre on 0800 00 7277.

THE SOUTH AFRICAN REVENUE SERVICE

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