

What's New at SARS

- Feb 25, 2022
On-boarding of existing Customs clients to the new Registration, Licensing and Accreditation (RLA) system
25 February 2022 – The implementation of the new RLA system was initially designed to cater only to clients submitting new applications. Clients who were already registered on the old system, i.e. via a DA185 application were not required to re-register on the new RLA system. The system was designed on a first-in-first-out principle and clients that required re-registering on the new RLA system would severely impact the turnaround times (TAT) of new applications due to operational capacity constraints. For more information, see our [letter to Trade](#).
- Feb 25, 2022
How to complete the Income Tax Return ITR14 for Companies
25 February 2022 – The guide on [How to complete the Income Tax Return ITR14 for Companies](#) has been updated to include clarity on the Financial Year End and Financial Statements required.
- Feb 25, 2022
Media Release - SARS will not tolerate employees who collude with taxpayers
24 February 2022 – The South African Revenue Service (SARS) has noted with concern the arrest of two SARS employees on allegations of extortion after the two employees demanded money from a taxpayer in return for reducing or cancelling the taxpayer's debt.

The taxpayer alleges he received a call from a SARS employee last week and was invited to a meeting. After arriving the taxpayer grew suspicious and contacted the South African Police Service (SAPS), who subsequently planned a sting operation with the taxpayer, leading to the arrest of the two employees. In collaboration with the SARS Anti-Corruption Unit, the matter was handed over to the Directorate for Priority Crime Investigations (Hawks).

SARS Commissioner Mr Edward Kieswetter condemned in the strongest terms the alleged conduct of the employees and issued a strong warning to employees and taxpayers who collude to defraud SARS.

[See the full media statement here](#).

- Feb 24, 2022
Invoice requirements for Customs
24 February 2022 – The policy, [Invoice Requirements for Customs](#), has been updated. The amendments include the time periods in which clients may request Customs to furnish reasons for an action and in which Customs must respond to such a request to align with Rules 77H.02(4) and 77H.02(5).
- Feb 23, 2022
Media Release - SARS making illicit tobacco trade hard and costly
23 February 2022 – The South African Revenue Service (SARS) through its Criminal and Illicit Economic Activities and Customs Divisions carried out inspections as well as search and seizure operations on cigarette companies and manufacturers in KwaZulu-Natal, Western Cape and Gauteng.

The premises inspected and searched include the residences of certain individual taxpayers. The intervention and operations are related to wider investigations and audits into the tax affairs of cigarette manufacturers, their directors, related entities and individuals for purposes of verifying their tax compliance and identifying information that may support such audits.

[See the full media statement here.](#)

- Feb 23, 2022
Legal Counsel – Secondary Legislation – Tariff Amendments 2022
23 February 2022 – Customs & Excise Act, 1964: [Taxation Proposals 2022](#)
 - Taxation Proposals tabled by the Minister of Finance in the National Assembly in his Budget Review 2022 at **14:42**
- Feb 23, 2022
Legal Counsel – Secondary Legislation – Income Tax Notices 2022
23 February 2022 – Income Tax Act, 1962: The [income tax notices](#), scheduled for publication in the *Government Gazette*, relate to the –
 - determination of the daily amount in respect of meals and incidental costs for purposes of section 8(1)(c)(ii) (overnight allowance)
 - determination of the daily amount in respect of meals and incidental costs for purposes of section 8(1)(a)(ii) (daily allowance)Publication details will be made available later
- Feb 23, 2022
Legal Counsel – Preparation of Legislation – Bills
23 February 2022 – National Legislation
 - [2022 Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill](#)
- Feb 23, 2022
Media Release – SARS welcomes the revised Revenue Estimate
23 February 2022 – SARS welcomes the upwardly revised revenue collection estimate announced by Minister of Finance, Mr Enoch Godongwana. In his 2022 Budget Review speech, Minister increased the revenue estimate to R1 547.07 billion from the February 2021 budget estimate of R1 365.1 billion. The 2021/22 revenue yield is expected to result in the tax-to-GDP ratio reaching 24.7%, which is higher than pre-COVID level and that indicates that the extraction rate is on a positive trajectory.

[See the full media statement here.](#)
- Feb 23, 2022
National Budget speech is live
23 February 2022 – The Minister of Finance’s National Budget speech and impact on SARS tax rates are live – see our [SARS Budget webpage](#) for more information.
- Feb 22, 2022
Legal Counsel – Legal Counsel Publications – FAQs
22 February 2022 – Income Tax Act, 1962

- [Frequently Asked Questions: Insolvent Estates of Individuals](#)
- Feb 22, 2022
Customs Weekly List of Unentered Goods
22 February 2022 – [Customs Weekly List of Unentered Goods](#)
- Feb 22, 2022
Legal Counsel – Preparation of Legislation – Draft Documents for Public Comment
22 February 2022 – Income Tax Act, 1962
 - [Draft Interpretation Note](#) – Mining Rehabilitation Company or Trust: Deductibility of Amounts Paid and Compliance with Section 37A
Due date for public comment: 24 June 2022
- Feb 22, 2022
Legal Counsel – Preparation of Legislation – Draft Documents for Public Comment
22 February 2022 – Income Tax Act, 1962
 - [Draft Interpretation Note](#) – Recoupment of Amounts Deducted or Set Off when an Asset Commences to be Held as Trading Stock which was Previously not so Held
Due date for public comment: 3 June 2022
- Feb 22, 2022
Legal Counsel – Preparation of Legislation – Draft Documents for Public Comment
22 February 2022 – Tax Administration Act, 2011
 - [Draft Interpretation Note](#) – Understatement Penalty: Meaning of “Maximum Tax Rate applicable to the Taxpayer” under Section 222(5) of the Tax Administration Act
Due date for public comment: 27 May 2022
- Feb 22, 2022
Legal Counsel – Preparation of Legislation – Draft Documents for Public Comment
22 February 2022 – Income Tax Act, 1962: [Draft Interpretation Notes](#)
 - Draft Interpretation Note – Public Benefit Organisations: Provision of Residential Care for Retired Persons
 - Draft Interpretation Note – Public Benefit Activity: Bid to Host or Hosting any International Event
Due date for public comment: 13 May 2022
- Feb 22, 2022
Legal Counsel – Legal Advisory – Published Binding Rulings – Binding General Rulings (BGRs) – BGR 41-60
22 February 2022 – Income Tax Act, 1962
 - [Binding General Ruling \(BGR\) 60](#) – Disqualification as a Qualifying Company under Section 12R(4)(b)
- Feb 21, 2022

SARS Supply Chain Management Policy

21 February 2022 – The [SARS Supply Chain Management Policy](#) has been updated to incorporate regulatory changes from National Treasury, provisions of POPIA and specific measures to strengthen operational efficiency of the procurement and supply chain function.

- Feb 21, 2022

Update on the Individual Return for Deceased and Insolvent Estates

21 February 2022 – The [Guide to the Individual ITR12 Return for Deceased and Insolvent Estates](#) was updated to indicate that the Public Benefit Organisation (PBO) number declared on the ITR12 return will be validated to determine if it was active and applicable for that particular year of assessment. If the PBO number does not pass the validation, the deduction will be disallowed, and the applicable reason will display on the notice of assessment (ITA34).

- Feb 21, 2022

Update on how to submit your Individual Return via eFiling

21 February 2022 – The [Guide on how to submit your Individual tax return via eFiling](#) was updated to indicate that SARS may raise an additional or reduced estimated assessment where the taxpayer fails to submit relevant material after more than one request for such relevant material. The taxpayer will be allowed to upload the supporting documents via eFiling.

- Feb 21, 2022

Update on Cease to be a Resident

21 February 2022 – An additional channel was added on eFiling to assist clients who want to inform SARS when they ceased to be a tax resident of South Africa.

The taxpayer must inform SARS by way of one of the following two channels:

- If a taxpayer ceased to be a tax resident of South Africa, the taxpayer can now inform SARS through the Registration, Amendments And Verification Form (RAV01) on [eFiling](#) by capturing the date on which the taxpayer ceased to be a tax resident. The form can be obtained on [eFiling](#) or [SARS branch by making appointment](#). A case will be created whereby the taxpayer will receive a letter from SARS to submit supporting documents.
- Alternatively, the taxpayer can inform SARS by capturing the date on the ITR12 tax return.

How will supporting documents work:

- If the declaration is made on the income tax return (ITR12), you will receive a request for supporting documents to substantiate the declaration you have made. The relevant information that must be supplied to SARS will depend on the basis on which you have ceased to be a tax resident.
- If the declaration is made via the RAV01 form on eFiling, the [Declaration form](#) must be completed and be submitted with the relevant supporting documentation through [eFiling](#) or [SOQS](#).

For more information, see our [Cease to be a Resident webpage](#).

- Feb 21, 2022

How to submit your individual Income Tax return via the SARS MobiApp

21 February 2022 – A new [guide on how to submit the Income Tax return via the SARS MobiApp](#) has been published. This guide details amongst others how to apply to respond to

an auto assessment, how to respond to an estimation assessment submitted for your by SARS. You will now receive correspondence on your application to change your residency status via SARS MobiApp. Additionally you can submit your previous year of assessment (ITR12) return via the SARS MobiApp.

- Feb 21, 2022

Once-off Admin Penalties for Personal Income Tax (PIT)

21 February 2022 – A once-off admin penalty will be imposed on the following two populations of taxpayers:

- Taxpayers that were selected for auto assessment and failed to accept, decline, or edit and then file their return after SARS issued an original based on estimated return (auto).
- All provisional and non-provisional taxpayers that were not auto assessed and submitted a return post filing season and pre-imposition of the recurring admin penalty.

Just like the PIT outstanding return recurring admin penalty, the PIT once-off admin penalty can be **adjusted** or **cancelled**.

Admin Penalty Amount Adjustment:

As part of the admin penalty process, SARS will adjust the admin penalty amount if there's any change to the taxable income where an Once-Off Admin Penalty was already imposed.

- The change in the taxable income may be because of a revised declaration, a dispute (NOO/NOA) against the rejected or edited return and is allowed or partially allowed leading to the taxable income being different to the initial taxable income utilised to determine the once-off admin penalty amount.
- A penalty adjustment letter will be issued to the taxpayer to inform the Taxpayer of the admin penalty adjustment.

Cancellation:

If it has been determined that SARS has erroneously imposed the once-off Admin Penalty on Taxpayers, SARS will cancel the Admin Penalty transactions and related debt and update Taxpayer's admin penalty account.