



Tax A Sured (Pty) Ltd

PRECISION IN NUMBERS | EXCELLENCE IN SERVICE

MANDATE AGREEMENT

TAX | PAYROLL | VAT | TRUST | ANNUAL RETURN

TAX A SURED (PTY) LTD

5A PROOT STREET | MONTE VISTA | CAPE TOWN | 7460

TABLE OF CONTENTS

TAX A SURED (PTY) LTD WELCOME.....	3
MANDATE	3
CONTACT	4
COMPLIANCY	5
TAX A SURED (PTY) LTD MANDATE SERVICES	6
TAX A SURED (PTY) LTD PAIA.....	7
TAX A SURED (PTY) LTD POPIA.....	8
EFILING TERMS AND CONDITIONS.....	9
SECTION 234 TAX ADMINISTRATION ACT	10
TAX A SURED (PTY) LTD RECORD KEEPING.....	11
RECORDING CONVERSATIONS LEGISLATION	11
RECORDING CONVERSATIONS PERMITTED.....	11
RECORDING CONVERSATIONS RESTRICTED	12
RECORDING BEST PRACTICES TRANSPARENCY / DATA SECURITY	12
CONCLUSION	13
TAX A SURED (PTY) LTD BIOMETRICS.....	14
KEY STEPS FOR BIOMETRIC AUTHENTICATION:.....	14
TAX A SURED (PTY) LTD FEES.....	15
STANDARD PAYMENT AGREEMENT	15
DISCLAIMER LIMITATION OF LIABILITY.....	18
MANDATE VALUE ADDED TAX (VAT) SERVICES.....	19
VAT SERVICES INTRODUCTION.....	19
VAT REQUEST FOR INFORMATION.....	20
VAT ISSUE OF ASSESSMENTS	20
VAT INTEREST AND PENALTY REGIME	21
VAT CATEGORIES PERIODS DUE DATES OF PAYMENTS	21
MANDATE TAXATION (TAX) SERVICES.....	22
TAX SERVICES INTRODUCTION	22
PROVISIONAL TAX TAXPAYER	23
INCOME > R1 MILLION PROVISIONAL TAX.....	26
INCOME < R1 MILLION PROVISIONAL TAX.....	26
RING FENCING CLAUSE SET-OFF OF ASSESSED LOSSES.....	26
PROVISIONAL TAX CALCULATIONS PARAGRAPH 19 (3) OF THE FOURTH SCHEDULE	27
MANDATE ANNUAL TAX RETURN.....	28
TRUST COMPANIES.....	28
MANDATE BENEFICIAL OWNERSHIP	28
TRUST IT3(t)	29
MANDATE PAYROLL SERVICES.....	30
PAYROLL SERVICES INTRODUCTION.....	30
PAYROLL TIMELINES AND SUBMISSION REQUIREMENTS	30
PAYROLL SUBMISSION DEADLINES.....	31
PAYROLL UI19 AND UI 2.7 DEPARTMENT OF LABOUR.....	32
PAYROLL ISSUE OF ASSESSMENTS	33
PAYROLL INTEREST AND PENALTY REGIME.....	33
NON-PROFIT ORGANISATIONS IT3(D) SUBMISSION.....	34
TAXPAYERS COMPLIANCE AND SUBMISSION IT3(d)	34
SUBMISSION PERIODS AND DEADLINES.....	34
SUBMISSION CHANNELS.....	35
PUBLIC OFFICER.....	36
INSIGHTS SARS.....	40
INSIGHTS SARS ISSUE OF ASSESSMENTS.....	40
INSIGHTS AUTO-ASSESSMENT. INCOME TAX.....	41
INSIGHTS PUBLIC OFFICERS. TAX REPRESENTATIVES	41
INSIGHTS SARS ADMIN PENALTY REGIME.....	42
INSIGHTS PROVISIONAL TAX.....	45
TAX A SURED (PTY) LTD ANCILLARY INSIGHTS AND SERVICES	46
EXPAT TAX NON-TAX RESIDENT TAX.....	46
ESTATE TAX	46
WITHHOLDING TAX SALE OF IMMOVABLE PROPERTY (NON-RESIDENT)	46
CIT DEREGISTRATION PROCESS SARS	46
TAX A SURED (PTY) LTD TRAVEL.....	48
GLOSSARY	50



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | WELCOME

We would like to welcome you as a Tax A Sured (Pty) Ltd client! We trust we will be able to add value and be of service to you for many years to come.

MANDATE

The Tax A Sured (Pty) Ltd Mandate, as recommended practice by the South African Institute of Chartered Accountants (SAICA), is an essential document that enables us to, amongst other things, make use of South African Revenue Service (SARS) eFiling Services (i.e. register as an eFiler and attend to submissions and/or changes on your behalf) without which we will not be able to file any of your returns, business changes, or personal amendments. The mandate will cover the period/s for which our services are required and must be signed by you, herein referred to as “the client”; or in the case of a company, a representative, until termination of services.

Any legislative amendments relevant to this mandate will be updated on our Webpage and communicated with the client via email.

A mandate is a crucial element that enhances the relationship between the client and our firm, empowering us to handle specific financial and tax responsibilities on behalf of the client with efficiency and compliance. By entrusting us with a mandate, clients authorise us to take on tasks like payroll management, direct interaction with SARS, and handling VAT submissions – often without needing their direct involvement in each transaction. This delegation not only streamlines processes such as tax compliance, estate tax calculations, or non-resident tax obligations but also ensures that complex, time-sensitive matters are addressed accurately and promptly by our skilled professionals.

For clients, this means peace of mind and the freedom to concentrate on their business or personal endeavors, knowing that their financial obligations are managed with precision and in full alignment with regulatory requirements.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Even with a mandate in place, the client would still be required to:

- ⤴ Provide Written Consent
- ⤴ Share Essential Documentation and Information
- ⤴ To fulfil tax, payroll, or accounting duties effectively, the client needs to provide up-to-date financial records, personal or business information, and other pertinent documents, enabling accurate record-keeping and compliance.
- ⤴ Ensure Accessibility for Initial Setup and Key Interactions
- ⤴ Enable Tax Practitioner Access: Full Access **OR** Shared Access
- ⤴ While ongoing actions can often proceed without constant involvement, the client may need to engage initially and, on occasion, for key transactions or updates to ensure all client-related mandates remain current and relevant.
- ⤴ Ensure trust and transparency through clear communication.
- ⤴ The client must maintain an open line of communication, promptly updating the firm about any significant changes in their financial or tax situations, such as new income sources, residency changes, or shifts in business structure that may affect compliance or reporting requirements.
- ⤴ Engagement in Regular Review
 - ✦ While mandates minimise the client's need for direct involvement, periodic reviews with the firm ensure that their financial strategies and obligations align with evolving regulations, optimising benefits and compliance outcomes.

By fulfilling these requirements, clients can ensure that the firm has the information, the authority, and the access needed to manage their tax, vat, and accounting requirements accurately and with precision.

CONTACT

Clients are welcome to connect with us for any additional assistance:

TAX
TRACEY JONES
Director

tracey@taxassurance.co.za

VAT
ERNST VAN TONDER
Finance and Accounting Manager
Professional Tax Practitioner (SA)

vat@taxassurance.co.za

ADM.
NICOLE FENNELL
Tax Administrator

info@taxassurance.co.za

OFC.
AURÉLIO XANADU
Office Administration

rex@taxassurance.co.za



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

COMPLIANCY

We strive for a culture of compliancy within the clients business which not only mitigates unnecessary penalties but ensures that our clients are not at risk of a SARS audit. Maintaining tax compliancy, ensures that the clients have no outstanding tax returns or supporting documents requested by SARS, do not owe any money to SARS, are registered for all applicable tax products, keep the clients registered particulars updated, and have either merged or declared all the clients registered tax reference numbers using the appropriate eFiling tools.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | MANDATE | SERVICES

We are pleased to confirm the arrangement between Tax A Sured (Pty) Ltd and the client in order to provide taxation services.

This mandate letter will cover the period for which our tax services are required. By registering with us through the Tax A Sured (Pty) Ltd Take-On Form, the client will be deemed In Agreement with this Mandate.

Any legislative amendments relevant to this mandate will be communicated to the client via email or alternatively the client can visit our [Tax A Sured \(Pty\) Ltd Website](#). If we do not have a signed copy or confirmation of agreement (via written letter or through our Take-On Form which we will send via email) of this mandate in our possession, we will not be able to file any of the clients' tax returns.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX ASSURED (PTY) LTD | PAIA

The purpose of Promotion of Access to Information (PAIA) is to give effect to the constitutional right of access to any information held by public or private bodies, and is required for the exercise or protection of any rights. The compliance hereof is mandatory and a template can be found by following the link to our [PAIA Webpage](#).

Clients are welcome to connect with us for any additional assistance either via [email](#) or [WhatsApp](#).



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | POPIA

The Personal Protection of Information Act (POPIA) came into effect on the 1st of July 2021 which deals with the collecting, processing, and distribution of private information.

To provide the client with any of our services, we require the client's express permission to provide us with the necessary information that may fall within the definition of personal information. We would like to place on record that Tax A Sured (Pty) Ltd has complied internally with all the provisions of POPIA that relates to us, regarding the processing, security, and backup of the client's data safely.

Should the client require our services to assist in implementing the provisions of POPIA, kindly advise via [email](#).

If we are asked to terminate or resign from doing work for any reason whatsoever it will be necessary for Tax A Sured (Pty) Ltd to retain records for five years, which includes private information, to manage any queries that arise from the clients tax affairs and ensure that all filed tax returns are finalised by SARS.

The signing of this mandate indicates that all necessary permissions have been afforded to Tax A Sured (Pty) Ltd.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

EFILING | TERMS AND CONDITIONS

It should be noted that most tax returns are filed on an electronic basis using either the SARS eFiling system or our back-office internal tax system which are subject to SARS' eFiling Terms and Conditions and its relevant laws and regulations. We therefore require the clients mandate for Tax A Sured (Pty) Ltd to register the client as an eFiler on our practitioner eFiling portal. Once this is done, the following Terms and Conditions regarding eFiling shall apply:

- ⤴ Tax A Sured (Pty) Ltd, the eFiler, acts as a duly authorised agent on the client's behalf.
- ⤴ The client will be liable to SARS for the due diligence and timeous fulfilment of all their obligations towards SARS.
- ⤴ Any information submitted by Tax A Sured (Pty) Ltd to SARS by means of the eFiling service will be based on information received from the client. Therefore, it is the client's responsibility and ownership to ensure that such information provided is true and correct.
- ⤴ Before every submission of any information to SARS by means of the eFiling service, we will need the client's confirmation that the information being submitted is a true and correct reflection of what you have provided.
- ⤴ Tax A Sured (Pty) Ltd will not be responsible for any tax liability imposed by SARS for any reason whatsoever and in their role as the taxpayer, the client confirms that all liabilities, obligations, and penalties due to SARS remain with the client.
- ⤴ Tax A Sured (Pty) Ltd has disclosed to the client the minimum conditions for the mandate.
- ⤴ Where SARS changes the conditions of eFiling on their website, the implementation of these changes is three months. Within this period, we will disclose to the client any change to, and amendment of, the minimum conditions via email.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

SECTION 234 | TAX ADMINISTRATION ACT

We would like to make special reference to Section 234 (S234) of the Tax Administration Act (TAA). This section has been changed to make negligent or simple errors by the taxpayer a criminal act. In this case SARS does not have to prove criminal intent regarding any of the items listed in S234.

Any person who wilfully or negligently under a tax Act fails to:

- ⬆ register or notify SARS of change in registered particulars as required in Chapter 3 of the SAICA Handbook;
- ⬆ appoint a representative taxpayer or notify SARS of the appointment or change of a representative taxpayer as required under section 153 and 249;
- ⬆ register as a tax practitioner as required under section 240;
- ⬆ submit a return or document to SARS or issue a document to a person as required under a tax Act;
- ⬆ retain records as required under the tax Act;
- ⬆ furnish, produce, or make available any information, document, or item, excluding information requested under section 46(8), as and when required under this Act;
- ⬆ attend and give evidence, as and when required under this Act;
- ⬆ comply with a directive or instruction issued by SARS to the person under a tax Act;
- ⬆ disclose to SARS any material facts which should have been disclosed under a tax Act or to notify SARS of anything which the person is required to notify SARS thereof under a tax Act;
- ⬆ comply with the provisions of Section 179 to 182, if that person was given notice by SARS to transfer the assets or pay the amounts to SARS as referred to in those sections; or
- ⬆ in the event where that person becomes liable to make a payment for withholding any tax, deduct, withhold, or pay to SARS the amount of tax, as and when required under a tax Act;

is guilty of an offence and is liable, upon conviction, to a fine or to imprisonment for a period not exceeding two years¹.

Tax A Sured (Pty) Ltd will only be liable for internal errors: negligent, simple, or otherwise, that is practicable and manageable. Tax A Sured (Pty) Ltd, will at their own cost, correct these errors but will not be liable for any tax liability and/or interest which may arise from these errors as this is the sole responsibility of the client.

¹ [S. 234 substituted by s. 35 of Act No. 24 of 2022]



TAX A SURED (PTY) LTD | RECORD KEEPING

Tax A Sured (Pty) Ltd values transparency and respects the privacy of our clients. To support quality service and regulatory compliance, we sometimes record conversations as part of our business operations. This mandate outlines when and why we may record conversations, the relevant legal framework, and our commitment to securing and managing recorded information responsibly.

We prioritise the secure and compliant handling of all personal information entrusted to us by our clients. This includes sensitive details such as identification numbers, tax numbers, company documents, business structures, and any other personal or corporate information necessary for providing our services. In accordance with the Protection of Personal Information Act (POPIA) and relevant regulatory requirements, we maintain strict data security measures to protect your information from unauthorised access, loss, or misuse. All personal information is stored on secure, encrypted systems, with access limited to authorised personnel only, ensuring confidentiality throughout our engagement.

RECORDING CONVERSATIONS | LEGISLATION

Recording conversations in South Africa is governed by strict laws designed to protect individual privacy and personal data. The primary laws impacting our practice include:

- ⤴ Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA):
 - ✦ Prohibits recording conversations without the consent of all parties unless certain conditions are met.
- ⤴ Protection of Personal Information Act (POPIA):
 - ✦ Mandates informed, voluntary consent when personal information is involved.
- ⤴ General Data Protection Regulation (GDPR) (applicable to EU clients):
 - ✦ Requires a balancing test to ensure business needs do not infringe on individual privacy rights.

RECORDING CONVERSATIONS | PERMITTED

We record conversations only when legally permissible and necessary for business purposes, such as:

- ⤴ Client Service and Consultation:
 - ✦ When participating in a conversation, we may record it to support customer service, quality assurance, or training purposes. We will inform you of any such recordings.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

⤴ Written Consent from One Party:

- ✦ In contractual or service agreements where written consent for recording has been provided.

⤴ Business Necessity:

- ✦ For regulatory or compliance purposes, recordings may be kept to fulfil audit trails or record-keeping requirements.

RECORDING CONVERSATIONS | RESTRICTED

Tax A Sured (Pty) Ltd does not record conversations in circumstances where:

⤴ You Are Not Informed:

- ✦ We avoid recording conversations covertly or without notifying participants.

⤴ Sensitive Information Without Justification:

- ✦ Sensitive discussions, especially around personal data, are recorded only when necessary and with full disclosure and explicit consent.

⤴ Conversations Not Involving Tax A Sured (Pty) Ltd:

- ✦ We will not record conversations between individuals where Tax A Sured (Pty) Ltd is not a participant or where there is no direct relevance to our services.

RECORDING BEST PRACTICES | TRANSPARENCY / DATA SECURITY

To ensure trust and compliance, we follow these practices:

⤴ Obtain Clear Consent:

- ✦ We inform clients in advance whenever conversations are recorded, detailing the purpose, storage, and handling of such recordings.

⤴ Data Security:

- ✦ All recordings are securely stored, with access restricted to authorised personnel only. Recordings are deleted when no longer necessary.

⤴ Balancing Legitimate Interests and Privacy:

- ✦ Before recording for business purposes, we assess if the recording aligns with client privacy rights and only proceed when justified.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

ETHICAL CONSIDERATIONS

Beyond compliance, we are committed to ethical recording practices. Recognising that recording may impact trust, we prioritise transparency and limit recording to instances where it is essential for operational or compliance purposes.

CONCLUSION

At Tax A Sured (Pty) Ltd, safeguarding your privacy and complying with South African and international privacy regulations are key priorities. By agreeing to this mandate, you acknowledge that Tax A Sured (Pty) Ltd may record conversations only within the outlined legal, ethical, and business parameters.

As part of our compliance obligations, we retain all records, including personal and business information, for a minimum period of five years, even after the termination of our professional relationship. This retention period aligns with regulatory standards and is essential for maintaining an accurate audit trail, supporting future compliance checks, and fulfilling any legal obligations that may arise post-engagement. After the five-year period, all records are reviewed and securely disposed of if no longer required, in adherence with data protection standards. This approach not only supports legal compliance but also reinforces our commitment to safeguarding our clients' personal and business information at every stage of our engagement.

By engaging with Tax A Sured (Pty) Ltd, you consent to our recording practices as outlined above, in compliance with RICA, POPIA, and GDPR where applicable.

Should you have any questions or concerns regarding this mandate, please feel free to [contact us](#) directly.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | BIOMETRICS

For Individual taxpayers registering for eFiling SARS requires biometric facial recognition for an extra layer of security which helps protect your information from identity theft and fraud, effective from November 1, 2024.

In order to set up eFiling, we may need to set up your Biometric Details with eFiling. This can be done either by visiting our [Office](#) or by following the [SARS Biometric Authentication Guide](#), which provides step-by-step instructions to help you through the registration process and manage any technical issues. Alternatively, you can also visit [our website](#) for the [Biometric Authentication Article](#). The following is a synopsis of the eFiling Biometric Authentication requirements, overview, and stipulations:

KEY STEPS FOR BIOMETRIC AUTHENTICATION:

1. Device Requirements:

- ✦ A device with a camera is necessary. This could be a desktop, laptop, or smartphone with the SARS MobiApp installed.
- ✦ If you don't have a camera-enabled device, you must book an appointment with a SARS official **OR** visit Tax A Sured (Pty) Ltd

2. Process Overview:

- ✦ Start Verification: Once prompted, allow eFiling to access your camera and click on "Start Verification."
- ✦ Photo Capture: Follow on-screen instructions, ensuring proper lighting and distance for successful image capture.
- ✦ Outcome Notification: The system will immediately notify you if the authentication is successful.

3. Unsuccessful Verification:

- ✦ If your authentication fails, you need to schedule an appointment for further assistance.
- ✦ Additional steps may be required if no matching images are found in SARS's reference data.

4. Special Situations:

- ✦ Multiple Tax Numbers or Inactive Account: Visit a SARS branch if you have multiple tax numbers, an inactive account, or are registered only for VAT/PAYE.

Existing eFiling Profile: If already registered, you can log in with your profile or reset your password.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | FEES

Our fees, which are billed as work progresses, reflect a fair representation of the skills, knowledge, and time invested, ensuring they align with market value. This approach allows us to provide transparent and equitable pricing for the responsibilities and expertise involved.

We strive to ensure that our Standard Billing Rates (SBR) are communicated clearly before any work is initiated. This communication may occur through various methods, including email (as our standard practice), invoices, quotes, or via telephone with follow-up email confirmation. Additionally, our Standard Payment Agreement will be clearly outlined and reflected in the provided quote, ensuring transparency and mutual understanding of payment terms prior to the commencement of any services.

STANDARD PAYMENT AGREEMENT

The Standard Payment Agreement is made between Tax A Sured (Pty) Ltd, and the client. It outlines the Terms and Conditions regarding payments for services rendered. This Agreement will be referenced in any quotes or invoices provided by Tax A Sured (Pty) Ltd.

Payment Terms

The client agrees to pay the total amount as detailed in the attached quote. Payments shall be made in accordance with the following terms:

- ⤴ **Type of Payment:** Payment is expected in the form of online payment or EFT.
- ⤴ **Payment Due Date:** Payment shall be made within 30 days from the date of the invoice.
- ⤴ **Deposit Requirement:** A deposit of 50% of the total amount may be required prior to commencement of work – unless other arrangements have been officially discussed with Tracey Jones and committed to writing. The remaining balance is due upon completion of service rendered, unless otherwise specified in the quote.
- ⤴ **Due Diligence and Maintenance Fee:** To ensure sustainability, operational efficiency, and fair use of company resources, Tax A Sured (Pty) Ltd reserves the right to implement fees to address expenses including but not limited to non-compliance, misconduct, or failure to adhere to SARS appointment policies and Tax A Sured (Pty) Ltd scheduling requisites. Administrative fees, such as a *Client Data Maintenance Fee* and *Continuous Due Diligence Fee*, may be applied to cover the costs of compliance, administrative oversight, and ongoing risk management required by SARS and Tax A Sured (Pty) Ltd regulatory standards. Clients are encouraged to engage proactively with the company to maintain compliance and avoid any added fees.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

- ⤴ When presented with any Tax A Sured (Pty) Ltd Notification of Payment, payment of fees will be expected without any right of setoff utilising credit from any related entities. We will be entitled to charge interest at 24% per annum compounded monthly on all fee amounts outstanding, for whatsoever reason, older than 30 days from the date reflected on the invoice provided.

Payment Method

The client may make payment via electronic fund transfer (EFT). **NO** cash and **NO** crypto payments will be accepted.

Late Payments and Interest Charges

If payment is not received within the stipulated payment period (i.e., 30 days), Tax A Sured (Pty) Ltd reserves the right to assess the following penalties:

- ⤴ Interest on overdue payments will accrue at a rate of 2% per month compounded monthly starting from the day after the payment due date has lapsed.

Interest charges will be reflected on subsequent invoices and are payable upon receipt.

Taxes

All prices quoted are exclusive of applicable VAT. Tax A Sured (Pty) Ltd shall not be responsible for any taxes, duties, or levies arising from the transaction, including but not limited to, VAT or withholding tax.

If the client is tax-exempt, appropriate documentation must be provided before invoicing. The documents can be submitted in person or via [email](#).

Termination and Non-Payment

Tax A Sured (Pty) Ltd reserves the right to suspend or terminate any work or services if payments are not received by the due date or agreed upon period if applicable. Any such suspension or termination does not relieve the client from their obligation to settle the outstanding balance, including any applicable interest charges.

Without prejudice to any other rights that we may have in law, we reserve the right to immediately suspend or terminate our services, or any performance in whole or part thereof, at any date and time and without notice should payment of any of our fees be overdue or if the client does not comply with our requests.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Payment Disputes

In the event of any dispute regarding the payment amount, the Client must notify Tax A Sured (Pty) Ltd in writing within 21 days of receiving the invoice. Both parties agree to resolve any payment disputes in good faith. Payments that are not in dispute must be made according to the terms of this Agreement.

Severability

If any provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction or authority, such provision shall be severed from the Agreement, and the remaining provisions will remain in full force and effect.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of South Africa without regard to its conflict of law provisions.

By accepting this Mandate, quotes, and/or paying any invoice, the client agrees to abide by the terms of Tax A Sured (Pty) Ltd's Standard Payment Agreement.

Tax A Sured (Pty) Ltd's SBR will be annually reviewed and updated in March.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

DISCLAIMER | LIMITATION OF LIABILITY

To the extent permitted by law, Tax A Sured (Pty) Ltd (including our employees, suppliers, internet service providers, partners, affiliates, and agents) shall not be liable for any damage, loss, or liability of any nature incurred by any person and resulting from:

- ⬆ Access to the SARS eFiling website.
- ⬆ Services available from the SARS eFiling website.
- ⬆ Access to websites linked to those of our service providers.
- ⬆ Service available from our service providers effecting the eFiling website.
- ⬆ Errors by SARS and/or errors on the SARS eFiling website.
- ⬆ Notices not received or indicated on our system.

SARS makes no representations, warranties, or guarantees that the SARS eFiling website shall be always accessible.

We acknowledge that any website may be inaccessible due to maintenance activities or due to circumstances beyond the reasonable control of any interacting party, including, but not limited to virus infection, unauthorised access (hacking), power failure/load shedding or other instances of force majeure beyond reasonable control and in this case, we cannot be held liable if we cannot process the clients returns or payments due to any one of these occurrences.

In the event of a financial claim against us, where a claim refers to any demand or assertion of a right to compensation, the total amount recoverable shall not exceed twice the annual fee we charge for our tax services.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

MANDATE | VALUE ADDED TAX (VAT) SERVICES

This mandate letter will cover the period for which our VAT services are required and must be signed by the client or, in the case of a company, a representative, until termination of services. Any legislative amendments relevant to this mandate will be updated on our Webpage and communicated with the client via email. However, the client is advised to keep abreast of such developments and are welcome to engage our services for this purpose.

If we do not have a signed copy of this mandate in our possession, we will not be able to file any of the clients VAT returns.

VAT SERVICES | INTRODUCTION

If the client has requested us to assist them in the preparation and submission of their Value Added Tax (VAT) returns to SARS, then this will be done according to time specifications that SARS have stipulated.

We will review related assessments for correctness and accuracy and assist the client with responses to queries from SARS, to deal with errors in assessments identified by our review, and to lodge the appropriate objections as considered necessary.

The work to be performed will be based on our interpretation of the relevant tax laws and SARS practices and policies at the relevant time. These tax laws are subject to change occasioned by future legislative amendments, court decisions, and modifications in SARS policies.

It is the client's responsibility to provide us with complete, accurate, and timely information regarding their tax affairs to enable us to effectively deliver our services.

Should a defined and/or agreed upon deadline not be adhered to, we will not accept liability, or be held responsible, for any penalties and interest levied or accrued by SARS.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

VAT | REQUEST FOR INFORMATION

Information required for processing of VAT, whether on a monthly or bimonthly (defined as every two months), must be delivered to our offices or sent via [email](#) by no later than the 20th of each month. If the 20th falls on a Saturday, then [Friday 19th](#) shall be observed. If the 20th falls on a Sunday, then [Friday 18th](#) shall be observed.

Information received after the requested date will be processed on a 'First-Received, First-Processed' basis. Tax A Sured (Pty) Ltd will not be held liable for any penalties and interest imposed due to late submission.

VAT | ISSUE OF ASSESSMENTS

SARS is entitled to request further supporting documentation on submission of the VAT201 return and that there may be additional requirements based on queries specified by SARS.

If SARS requires us to perform additional work on the client's behalf due to queries, this work will be chargeable at our SBR which will be communicated to the client via email prior to commencement.

Should a VAT refund not be paid within 21- business days, SARS will have to pay interest, at the prescribed rate, on the amount that is refundable. SARS may, under certain circumstances, re-calculate or suspend the 21-business day period, in which case interest is not payable, unless the 21-business day period which has been re-calculated or suspended, lapses.

SARS will suspend the 21-business day period where it is unable to gain access to a vendor's books and records. In this instance, the 21-business day period is put on hold from the date the request for access is sent to the vendor to the date the vendor allows access to such books and records.

The 21-business day period will be re-calculated under the following circumstances:

- ⤴ The VAT return is incomplete or defective;
- ⤴ Banking details are incorrect;
- ⤴ Tax returns are outstanding; or
- ⤴ In the case of a non-resident vendor, a representative vendor has not been appointed or bank account has not been furnished.

SARS uses methods of risk aversion which may result in the clients VAT return being selected for verification or audit.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

We have no control over whom SARS selects for verification or audit. Should the client be selected, we must comply with the request. Such requests may happen because the clients tax return is measured against industry statistics or due to changes in the return from previous periods. The cost incurred in doing this work will be charged at our SBR which will be communicated to the client via email prior to commencement.

The responsibility remains the clients to ensure all information and supporting documents provided are correct and adhere to requirements specified by SARS.

VAT | INTEREST AND PENALTY REGIME

SARS will levy interest and penalties for past due and overdue payments and submissions of VAT201 returns based on legislation and their interest rules. Payments will not be set on eFiling without the clients written instruction.

Payments due to SARS will be communicated to the client in writing. Should the client have VAT payable, it must be paid no later than the last business day of the relevant month.

SARS will only recognise a payment once received into the SARS bank account.

- ⚡ Any payment received into the SARS bank account after the due date will be regarded as a late payment.
- ⚡ Taxpayers must ensure that payment is made before the cut-off time of the relative bank product used to ensure that funds will reflect in time on the SARS bank account.

For further information on how to make a payment to SARS, please visit their webpage [SARS | Make a Payment](#).

VAT CATEGORIES | PERIODS | DUE DATES OF PAYMENTS

Payment due to SARS is usually on the last working day of the month. EXCLUDING: Diesel refunds will be due on the 25th of the month. If the 25th falls on a Saturday, then [Friday 24th](#) shall be observed. If the 25th falls on a Sunday, then [Friday 23rd](#) shall be observed.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

MANDATE | TAXATION (TAX) SERVICES

TAX SERVICES | INTRODUCTION

If the client has requested us to assist in the preparation and submission of their SARS Income Tax Returns, then this will be done according to the time specifications that SARS stipulates which are subject to change.

We will review related tax assessments and documentations for correctness and assist the client with responses to queries from SARS, deal with errors identified by our review, and lodge the appropriate objections as and when considered necessary.

The work to be performed will be based on our interpretation of the tax law and SARS practices and policies at the relevant time. These tax laws are subject to change occasioned by future legislative amendments, court decisions, and changes in SARS policies. The client is advised to keep abreast of such developments and are welcome to engage our services for this purpose.

We confirm that it is the client's responsibility to timeously provide us with complete, reliable, and accurate information in respect of the client's tax affairs for us to provide the required services.

Should a defined and/or agreed upon deadline not be adhered to, we will not accept liability, or be held responsible, for any penalties and interest levied or accrued by SARS.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

PROVISIONAL TAX | TAXPAYER

Provisional Tax is a method of paying the income tax liability in advance, to ensure that the taxpayer does not have a large tax debt on assessment. It requires the taxpayers to pay at least two amounts in advance, during the year of assessment, which are based on estimated taxable income. A third payment is optional after the end of the tax year by the 30th of September.

A provisional taxpayer is defined in paragraph 1 of the Fourth Schedule of the Income Tax Act, No.58 of 1962, as any:

- 1. natural person who derives income, other than remuneration or an allowance or advance as mentioned in Section 8(1) or who derives remuneration from an employer who is not registered for employees' tax (for example, an embassy is not obligated to register as an employer for employees' tax purposes).*
 - 2. company.*
 - 3. person who is told by the Commissioner that he or she is a provisional taxpayer.*
-

Any person who receives income (or to whom income accrues) other than remuneration, is a provisional taxpayer. Most salary earners are therefore not-provisional taxpayers if they have no other sources of income. It is important to note that receiving exempt income, as follows, does not make you a provisional taxpayer:

- ⬆ If you receive interest of less than R23,800.00 if you are under 65; or
- ⬆ If you receive interest of less than R34,500.00 if you are 65 and older; or
- ⬆ You receive an exempt amount from a tax-free savings account.

If the client considers themselves a provisional taxpayer, Tax A Sured (Pty) Ltd will timeously, and prior to the provisional tax payment date, discuss with you the amount that is due to SARS for provisional tax.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

We will process the clients provisional tax forms (IRP6) on an electronic basis and will require that the client agrees with the provisional tax payments to be made regarding P1, P2, and P3 Top-Up Payment, respectively. The due dates for the Provisional Tax Payments are:

- ⤴ First period (P1): This payment must be made within six months from the commencement of the year of assessment.
- ⤴ Second period (P2): This payment must be made no later than the last day of the year of assessment or approved financial year-end date.
- ⤴ Third period (P3 | Top-Up / Additional Payment): If such a payment is to be made it must be paid not later than the 'effective' date:
- ⤴ Where the year of assessment ends on 28th / 29th February the effective date is seven months after the financial year end, which is 30th September.
- ⤴ For an approved financial year end which ends on a date other than 28th / 29th February, the effective date will be six months after the financial year end e.g. if the financial year end is 30th April, the effective date will therefore be 31st October.

The payment regarding your provisional tax returns remains the clients responsibility and must be paid by the effective due date.

The payment reference necessary to make payment is indicated on the bottom of the IRP6 form that we email to the client and will also appear on the covering letter which will accompany the return.

Should the client request Tax A Sured (Pty) Ltd to generate the payment on their behalf on the SARS eFiling system, we require instructions by way of a formal written request at least and no later than 3 business days prior to due date. If there is a payment failure because of bank malfunction, or for any reason whatsoever, the responsibility of missing the payment, and the communication thereof, rests with you.

All Instructions and advisements to be communicated via email no less than 3 business days prior to the due date



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

If we have not heard from the client confirming their payments by dates specified in our communication, we will proceed with the submission as prepared by us with information at our disposal.

You will be penalised in the event of that a provisional tax payment is required by SARS and the payment is not made. If you miss a payment or pay provisional tax one day late SARS will levy interest and penalties.

If the client does not submit a provisional tax return SARS will deem the non-submission a 'Nil Return' and apply all the penalties legislated.

SARS will only recognise a payment once received into the SARS bank account.

- ⤴ Any payment received into the SARS bank account after the due date will be regarded as a late payment.
- ⤴ Taxpayers must ensure that payment is made before the cut-off time of the relative bank product used to ensure that funds will reflect in time on the SARS bank account.

For further information on how to make a payment to SARS, please visit their webpage [SARS | Make a Payment](#).



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

INCOME > R1 MILLION | PROVISIONAL TAX

If the client's taxable income for the year in question is greater than R1 million, we will need to determine the actual figures so that the clients provisional tax payments comply with the legislation as it must be within 80% of your final income tax assessment otherwise understatement penalties will be added to your assessment by SARS.

If the client wishes to plan their cash flow regarding provisional tax payments, the onus is on the client to advise us accordingly so that we can strategise the planning and assist the client in making the necessary arrangements.

INCOME < R1 MILLION | PROVISIONAL TAX

If the clients income is less than R1 million for the year in question, we will be obliged at the very least to use the Basic Amount (the taxpayer's taxable income assessed by the Commissioner for the latest preceding year of assessment less the amount of any taxable capital gain) subject to various adjustments in terms of the law.

The Basic Amount is the last assessment received fourteen days (a fortnight) prior to the submission date that the IRP6 form is filed. Under the circumstance that the client is behind with their tax returns, the basic amount will be increased by 8% for each year subject to certain rules.

Should we use an estimate lower than the Basic Amount to calculate a provisional tax payment, we require a proper motivation (supported by calculation) from the client as SARS may query the lower amount and ask for a justification of the taxable income.

RING FENCING CLAUSE | SET-OFF OF ASSESSED LOSSES

For the purposes of calculating the taxable income derived by any person from carrying on any trade, there shall, subject to Section 20(A) of the tax Act, be set-off against the income so derived by such person that is a company, any balance of assessed loss incurred by that person in previous year which has been carried forward from the preceding year of assessment to the extent that the amount of such set-off does not exceed the hight of R1 million and 80% of the amount of taxable income determined before taking into account the application of this section.

Not applicable to companies that are in the process of deregistration or liquidation.

This calculation will be performed and determined by Tax A Sured (Pty) Ltd.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

PROVISIONAL TAX CALCULATIONS | PARAGRAPH 19 (3) OF THE FOURTH SCHEDULE

Regarding any provisional tax calculation, Paragraph 19(3) of the Fourth Schedule permits the Commissioner to increase any provisional tax estimate to an amount that SARS considers reasonable. This discretion may be exercised whenever enough information is available to substantiate the increase.

In certain cases, the Commissioner will request the client to justify their Basic Amount Estimate. In the event the Commissioner is not satisfied then the estimate will be increased by SARS. This decision by SARS may be used whenever enough information is available to substantiate the increase. Should the client be aware of any reason the last taxable income should not be used as the Basic Amount, the client needs to contact us and advise accordingly.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

MANDATE | ANNUAL TAX RETURN

TRUST | COMPANIES

Deadlines relevant to the submission of Annual Income Tax returns will be communicated to the client via email each year well before their submission. Alternatively, the client can access this information on our website.

We will advise the client on what information we require to file their tax return timeously and by which date we need the information. If the client cannot provide us with the necessary information on time, we cannot guarantee that there will be no penalties for late submission. Kindly advise us beforehand if unable to comply with the provided date.

After preparing your tax returns for submission, we will provide you with a set of reports indicating the income to be declared.

Before we proceed with an electronic submission of the clients tax returns, we will need acknowledgement of the set of reports and confirmation to proceed which must be done in writing and submitted to us via [email](#).

Legitimate and express approval is required before we file any of the clients tax returns.

MANDATE | BENEFICIAL OWNERSHIP

As director of the identified entity, I, the client, authorise any director or employee of Tax A Sured (Pty) Ltd, with Registration Number: 2016/434545/07, to register, submit, and update information as well as the latest annual Financial Statements for the prescribed years as per the quote supplied and any updated requirements set out by SARS for the aforementioned entity on our behalf for the current year.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TRUST | IT3(T)

IT3(t) is a declaration of capital distributions and/or different types of income (interest, dividends, rental income, capital gains, etc) produced by the trust detailing how these are distributed to the beneficiaries of the trust. The IT3(t) reports requirements for trustees which significantly increases compliance obligations.

Effective September 2023, trustees must submit a mandatory IT3(t) form to SARS detailing demographic info, financial flows, and distributions by 30th September annually. This is in addition to the Trust Income Tax Return (ITR12T).

Third Party data providers can submit data to SARS using these three electronic options:

- ⤴ eFiling (via data submission form with a limited volume); or
- ⤴ Connect: Direct® (Unlimited); or
- ⤴ Secured File Gateway [HTTPS] (for files < 10MB).

The IT3(t) submissions for trusts involve reporting distributions of capital and/or distribution of diverse types of income including interest, dividends, rental, capital gains, and any other income generated by the trust. These submissions require providing details of beneficiaries and their respective distributions received.

The IT3(t) submissions for trusts will typically be due by the end of September each year. However, it is important to note that the exact deadline may vary and will be communicated to you annually when gazetted.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

MANDATE | PAYROLL SERVICES

This mandate letter will cover the period/s for which our payroll services are required and must be signed by the client or, in the case of a company, a representative, until termination of services. Any legislative amendments relevant to this mandate will be updated on our Webpage and communicated with the client via email.

PAYROLL SERVICES | INTRODUCTION

If the client has requested us to assist them in the preparation and submission of statutory obligations for their payroll to SARS and Department of Labour, then this will be done according to time specifications stipulated.

We will review related assessments for correctness and assist the client with responses to queries from SARS, deal with errors in assessments identified by our review, and lodge the appropriate objections as and when considered necessary.

The work to be performed will be based on our interpretation of the tax law and SARS practices and policies at the relevant time. These tax laws are subject to change occasioned by future legislative amendments, court decisions, and modifications in SARS policies. The client is advised to keep abreast of such developments and are welcome to engage our services for this purpose.

We affirm that it is the client's responsibility to timeously provide us with complete, dependable, and accurate information in respect of their tax affairs for us to provide the required services.

Should a defined and/or agreed upon deadline not be adhered to, we will not accept liability, or be held responsible, for any penalties and interest levied or accrued by SARS.

PAYROLL | TIMELINES AND SUBMISSION REQUIREMENTS

To ensure the accurate processing of payroll and compliance with statutory obligations such as Pay As You Earn (PAYE), clients must adhere to specific timelines and requirements for submitting payroll information. This includes meeting deadlines for weekly, fortnightly, and monthly wage processing, as well as for mandatory employer declarations.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

PAYROLL | SUBMISSION DEADLINES

Payroll timelines are structured according to the frequency of wage payments and the requirements for the timely issuance of paysheets and UIF (Unemployment Insurance Fund) declarations.

- ⤴ **Weekly Wages:** Payroll information must be submitted one day prior to the scheduled payment date.
- ⤴ **Fortnightly Wages:** For fortnightly wages, payroll details are also due one day prior to payment.
- ⤴ **Monthly Salaries:** Monthly payroll information requires submission two days prior to the scheduled salary payment date.

Timely submissions allow for the smooth processing of digital salary payments and the issuance of paysheets, ensuring that employees are paid accurately and on schedule. Tax A Sured (Pty) Ltd will not make salary payments on your behalf or facilitate any salary/payroll payments on your behalf or via user access to client banking profiles.

MONTHLY | EMPLOYER DECLARATIONS (EMP201)

Employers are required to submit monthly EMP201 declarations, reporting payroll taxes and deductions withheld for PAYE, UIF, and other levies. For accurate and timely reporting:

- ⤴ EMP201 Submission:
 - ✦ Payroll data for the monthly EMP201 must be submitted two days before the official submission deadline to allow for processing.
 - ✦ EMP201 files are typically processed digitally, with live data files ensuring that monthly tax obligations are accurately calculated and reported.

BIANNUAL | EMPLOYER RECONCILIATION (EMP501)

The EMP501 reconciliation is a biannual (twice-yearly) requirement to confirm that the total tax deductions reported in EMP201 submissions match the actual payments made to the tax authorities. The EMP501 submission timelines ensure accurate reconciliation of employee payroll data and not tax calculations.

- ⤴ EMP501 Submission:
 - ✦ Required two weeks prior to the final deadline.
 - ✦ Submissions can be done manually to verify that all payroll data aligns with biannual reconciliation requirements.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Meeting these timelines is crucial for maintaining payroll accuracy and avoiding penalties associated with late submissions. By adhering to these structured submission requirements, the client improves compliance with tax regulations and mitigates potential disruptions in employee salary processing.

PAYROLL | UI19 AND UI 2.7 DEPARTMENT OF LABOUR

New employee information must be provided on the Friday before the weekend of the Payroll Date. An information sheet and guide will be supplied by us and must be completed in full before any processing will be done. This can be sent on request.

We request at minimum a two-day lead time to tend to any queries on the clients payroll.

Information received after the requested date will be processed on a 'First-Received, First-Processed' basis. Tax A Sured (Pty) Ltd will not be held liable for any penalties and interest imposed due to late submission.

COID | INFORMATION

The Compensation Fund is a Schedule 3A Public Entity of the Department of Employment and Labour. The Fund administers the Compensation for Occupational Injuries and Diseases (COID) Act No 130/1993 as amended by the COID Act No 61/1997.

The main objective of the COID Act is to provide compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees, or for death resulting from injuries or diseases, and provide for matters connected therewith.

COID is an annual obligation based on client submission.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Registering with the COID fund (Section 80(1)) is a statutory requirement for:

- ⤴ All employers who employ one or more part-time / casual / temporary or full-time employees for the purpose of his / her business / farming / organisation's activities.
- ⤴ A separate registration is required for each separate branch of a business, with its own CIPC registration certificate.
- ⤴ An employer should register with the Compensation Fund within seven days after the first employee was employed.
- ⤴ An employer shall within seven days of any change in the particulars so furnished notify the Compensation Commissioner of such a change – Section 80(3).

PAYROLL | ISSUE OF ASSESSMENTS

SARS is entitled to request further supporting documentation on submission of the EMP201 return and there may be additional requirements based on queries that SARS specifies. SARS may require us to perform additional work on the client's behalf due to queries. This work will be chargeable at our SBR which will be communicated to the client via email prior to commencement.

SARS uses methods of risk aversion which may result in the clients PAYE return being selected for verification or audit. Such requests may happen because the clients tax return is measured against industry statistics or changes in the return from previous periods.

We have no control over whom SARS selects for verification or audit. Should the client be selected, we are obligated to comply with the request. The cost incurred in so doing will be charged at our SBR which will be communicated to you via email prior to commencement.

The responsibility remains yours to ensure all information and supporting documents provided are correct and adhere to SARS's requirements.

PAYROLL | INTEREST AND PENALTY REGIME

SARS charges interest and penalties for past due and overdue payments, based on legislation and their interest rules. Payments will not be set on eFiling without formal written instruction and only if the banking details are accurate and readily available on eFiling.

Payments due to SARS will be communicated to the client in writing. Should the client have PAYE payable, it must be paid no later than the seventh day of the relevant month. If the 7th falls on Saturday, then [Friday 6th](#) shall be observed. If the 7th falls on Sunday, then [Friday 5th](#) shall be observed.

Any late payments will first be allocated against set-off penalty, then interest, and then tax.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

NON-PROFIT ORGANISATIONS | IT3(D) SUBMISSION

Non-profit organisations in South Africa, specifically those approved as Exempt Institutions with Section 18A status, must comply with IT3(d) mandatory reporting requirements. Section 18A status allows certain organisations to issue tax-deductible receipts to donors, thereby promoting charitable giving. The submission of IT3(d) data serves as a regulatory measure to ensure accountability for the tax-deductible donations these organisations receive and report.

TAXPAYERS | COMPLIANCE AND SUBMISSION IT3(D)

There are two main categories of Exempt Institutions that must comply:

- ⬆ Exempt Institutions with Section 18A status that did not issue tax-deductible receipts:
 - ✦ These organisations are required to submit an IT3(d) return as a 'Null Declaration' (i.e., indicating no tax-deductible receipts were issued during the reporting period).
- ⬆ Exempt Institutions with Section 18A status that issued tax-deductible receipts:
 - ✦ These organisations must report the specific details of each tax-deductible receipt issued, meeting statutory obligations to disclose data on tax-beneficial transactions.

SUBMISSION | PERIODS AND DEADLINES

To ensure up-to-date and accurate reporting, Section 18A organisations must submit IT3(d) data twice annually:

Period 1: From 1st March to the last day of February. Submissions for this period are due by **31st May**.

Period 2: From 1st March to 30th September. Submissions for this period are due by **31st October**.

While deadlines are generally stable, exact submission dates may vary each year based on annual notifications from the South African Revenue Service (SARS). Organisations are encouraged to monitor these announcements to ensure compliance.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

SUBMISSION CHANNELS

The SARS offers two channels for IT3(d) submissions to accommodate different organisational sizes and reporting needs:

⤴ eFiling:

- ✦ Used by entities issuing fifty or fewer tax-deductible receipts.
- ✦ Suitable for smaller submissions, including Null Declaration filings.

⤴ HTTPS:

- ✦ Required for entities issuing fifty-one or more tax-deductible receipts.
- ✦ Supports larger file sizes, allowing uploads up to 50 MB or 50,000 lines, making it suitable for organisations with substantial donation volumes.

Compliance and Penalties

Non-compliance with IT3(d) submission requirements can lead to significant consequences, including penalties and the risk of losing tax-compliant status. Exempt Institutions are therefore advised to submit accurate and timely reports to maintain their eligibility to offer tax benefits to donors and retain good standing with SARS.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

PUBLIC OFFICER

Amendment of section 246 of Act 28 of 2011, as amended by section 86 of Act 21 of 2012, section 84 of Act 39 of 2013, section 45 of Act 33 of 2019 and section 30 of Act 18 of 2023

Amendment | Section 246

31. Section 246 of the Tax Administration Act, 2011, is hereby amended—

(a) by the substitution for subsection (2) of the following subsection:

“(2) The individual representative under subsection (1) must be—

(a) **[approved by SARS and—**

(i) must be] a person who is a senior official of the company[;] or, **[(ii)]** if no senior official resides in the Republic, **[may be]** another suitable person approved by SARS;

(b) appointed by the company or by an agent or legal practitioner who has authority to appoint such a representative for the purposes of a tax Act; and

(c) called the public officer of the company[; and

(d) appointed within one month after the company begins to carry on business or acquires an office in the Republic].”;

(b) by the substitution for subsection (3) of the following subsection:

“(3) If a public officer is not appointed as required under this section, the public officer is regarded to be—

(a) **[the director, company secretary or other officer of the company that SARS designates for that purpose]** the first person who is eligible to represent the company as public officer, in the following order of priority:

(i) Managing director or equivalent;

(ii) financial director or equivalent;

(iii) company secretary;

(iv) director or prescribed officer who has the largest shareholding in the company;

(v) director or prescribed officer who has held office for the longest period of time; and

(vi) a senior employee of the company in order of the company's reporting hierarchy; or

(b) any suitable person that SARS designates for that purpose.”; and

(c) by the substitution for subsection (7) of the following subsection:

(7) **[If SARS is of the opinion that a person is no longer suitable to represent the company as public officer SARS may withdraw its approval under subsection (2)(a)]** The company is regarded as not having appointed a public officer if the person appointed as public officer is—

(a) not eligible, in terms of subsection (2) or (8), to represent the company as public officer; or

(b) notified by SARS that he or she is not considered suitable to represent the company as public officer,

and must, within 21 business days of the date on which paragraph (a) or (b) becomes applicable, notify SARS, in writing, of the newly appointed public officer.”.

Clause 31 | Section 246

Every company that carries on business or has an office in South Africa must be represented by a public officer. Given that companies are automatically registered for income tax on formation, it is proposed that the one-month period within which the public officer must first be appointed be removed. A newly formed company will thus have both its directors and public officer in place on formation.

Should a company fail to appoint a public officer at the time of formation, the proposed amendment provides for a default rule of senior officials of the company who will be regarded as the public officer in order of priority. The public officer must be eligible to be so appointed in that they meet the requirements that they be a senior official of the company and be resident in South Africa, amongst others, in subsection (2) and not be disqualified under subsection (8).

Should the public officer not be so eligible or be regarded by SARS as not suitable to represent the company as public officer, the company will be regarded as not having appointed a public officer. The company has business days within which to appoint a new public officer who complies with the requirements as laid down by this section, failing which, a default list of who will be regarded as the public officer will apply or SARS can designate a suitable person to represent the company as the public officer.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

INSIGHTS | SARS

INSIGHTS | SARS ISSUE OF ASSESSMENTS

It is imperative to note that a receipt of an assessment notice from SARS with either tax to pay or a refund due does not necessarily mean that the tax return is finalised – there may be additional requirements based on queries that SARS specifies which may only be communicated by SARS after the assessment is issued.

SARS may within reason withhold refunds until they are satisfied with the outcome of any verification, query, or audit.

If SARS requires us to perform additional work on your behalf because there are queries, the cost in doing this work will be charged at our Standard Billing Rate (SBR) which will be communicated to you via email prior to commencement.

SARS uses methods of risk aversion which may result in your tax return being selected for verification or audit. We have no control over this and should this happen, we must comply with the request. Such requests may happen because your tax return is measured against industry statistics or changes in the return from previous years.

A tax assessment is not official until SARS sends a letter indicating that the return is finalised.

An assessment may be delayed because of a manual intervention, and we have no control over this or the time it takes for its resolution.

Should you require Tax A Sured (Pty) Ltd to handle any SARS query, it will be chargeable at our SBR which will be communicated to you via email prior to commencement.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

INSIGHTS | AUTO-ASSESSMENT. INCOME TAX

Regarding ITR12 tax returns: SARS may issue an Auto Assessment which is an assessment on Third-Party Data uploads from various platforms, which do not have a direct relationship with the customer, to SARS. An email or SMS will be sent to your SARS registered contact number should you be selected for Auto Assessment. The Tax Administration Act (TAA) allows for an assessment correction by no later than the due date as gazetted each year.

Kindly inform us by [email](#) or WhatsApp if you receive the Auto Assessment Notice which could be sent either by email or by SMS. As your return is on our Tax Practitioner profile, we will never immediately accept the Auto Assessment as there are potential expenses not included that we may be able to claim.

INSIGHTS | PUBLIC OFFICERS. TAX REPRESENTATIVES

A registered representative is a person who is [appointed](#) with full rights to act on behalf of another legal entity (e.g. Companies, Trusts, etc.), often Public Officers, Accounting Officers, or administrators, etc. If a legal entity has more than one Registered Representative, then one must be nominated as the official “representative person” and be registered with SARS.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

INSIGHTS | SARS ADMIN PENALTY REGIME

SARS will levy interest and penalties based on legislation and their interest rules. We will communicate the interest or penalty charges and, if deemed appropriated, will object.

Interest is a statutory charge and can only be objected to in specific circumstances.

Non-compliance now means that incorrect items, as simple as a physical or email address on your tax return, could either result in a penalty or activate S234 of the tax Act. If any of the information changes and the client does not advise us of these changes timeously, we cannot be held responsible for the imposition of any of these penalties. This applies to the latest information required for the completion and submission of your tax returns.

SARS | ADMIN PENALTIES

SARS has administrative penalties for non-compliance which results in SARS imposing a penalty, based monthly, on a table of income. This penalty may be imposed every 30 days provided the non-compliance remains unamended. It is therefore imperative that you timeously provide us with all required and requested information so that we can promptly attend to your tax affairs and ensure tax compliance. As the requested documentation has potential to be changed through legislature, we recommend vigilance across Tax A Sured (Pty) Ltd communication portal ([WhatsApp](#), [email](#), [website](#), [LinkedIn](#), and [Facebook](#)).

The purpose of imposing administrative non-compliance penalties is to ensure the widest possible compliance with the provisions of a tax Act and the effective administration of the tax Acts; and that the administrative penalties are imposed impartially, consistently, and proportionately to the seriousness and duration of the non-compliance.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

ADMIN PENALTIES | PAYE

Administrative penalties will be imposed for PAYE where an employer has failed to submit an EMP501 reconciliation declaration on time (i.e. after the final due date for submission):

- ⤴ Administrative penalty will be implemented in 1% increments over 10 months from June 2021 in respect of the reconciliation ending 28th / 29th February 2021 and for subsequent years. A penalty up to a maximum of 10% will be levied if the reconciliation is not submitted during the 10 months from June.
- ⤴ Administrative penalties will be based on the employer's liability over a period of 12 months:
- ⤴ For administrative penalties to be imposed the employer should have submitted 1 or 12 EMP201's.
- ⤴ If less than 12 EMP201's was submitted, the system will calculate the average of submitted EMP201's and multiply by 12 to calculate an estimated total aggregate employee liability for the year.
- ⤴ Where there is no EMP201 with a liability, the administrative penalty will be charged retrospectively once either the EMP201 or EMP501 with a liability is submitted.
- ⤴ If the EMP501 is received at any point during the 10 months after the close of the Filing Season, the 1% incremental administrative penalty will stop to recur.

Administrative penalties will only be charged if a full month has passed without the reconciliation being submitted, e.g. the reconciliation is submitted during the month of August, administrative penalties will only be levied for June and July and not for August.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

ADMIN PENALTIES | PERSONAL INCOME TAX. CORPORATE INCOME TAX.

Penalties will be imposed for Personal Income Tax (PIT) and Corporate Income Tax (CIT) as a fixed amount administrative non-compliance penalty (referred to as Admin Penalty).

RECURRING ADMIN PENALTY | PIT

The PIT recurring penalty will be imposed where the taxpayer has failed to submit a return as and when required under the Income Tax Act for years of assessment commencing on or after 1 March 2006 where that person has two or more outstanding income tax returns for such years of assessment:

- ⤴ As from 1st December 2021 a PIT penalty will be imposed where the person has one or more outstanding income tax returns for such years of assessment.
- ⤴ As from 9th January 2023 a PIT penalty will be imposed where the person has one or more outstanding income tax returns from the 2007 to 2020 years of assessment with no retrospective application.

RECURRING ADMIN PENALTY | CIT

The CIT recurring penalty will be imposed where the company has failed to submit an income tax return as and when required under the Income Tax Act for years of assessment ending during the 2009 and subsequent calendar years, where SARS has issued that company with a final demand referring to the public notice, and requiring the submission of the outstanding income tax return, and the company failed to submit the return within 21 business days of the date of issue of the final demand; and

- ⤴ It will recur every month that the relevant non-compliance is not remedied on or before the due date as per the AP34 (Penalty Assessment Notice), for a maximum of:
 - ✦ 35 months where SARS is in possession of the taxpayer's current address and able to deliver the AP34.
 - ✦ 47 months where SARS is not in possession of the current address because the taxpayer failed to update his / her details with SARS and SARS is therefore unable to deliver the AP34.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

INSIGHTS | PROVISIONAL TAX

INSIGHTS | RISK | UNDERSTATING THE INCOME

Where the Basic Amount for the calculation (below R1 million) is used for the P2 provisional tax payment, there is a risk that, if the client reduces this payment and the final assessment is not within 90% of the estimated income used for provisional tax, then the client will be subject to an understatement penalty.

Where the estimated income is over R1 million, it is necessary for the assessment to be within 80% of the estimate used for P2, to avoid the imposition of an understatement penalty. A Basic Amount may not be used.

The Basic Amount may not be used in the aforementioned instance.

INSIGHTS | CAPITAL GAINS TAX

It is imperative that we are made aware of any Capital Gains Tax (CGT) earned during the tax year. CGT's may have to be included in the current tax year even if the proceeds are received in the following tax year. CGT's are profits that are realised by selling investments (such as stocks, bonds, or real estate) and therefore need to be included in provisional tax calculations and the Final Income Tax Assessment. If we are not advised, and any CGT is excluded, then an Understatement Penalty will be levied by SARS on assessment.

Please consult us regarding any CGT's as this affects the relevant tax year

INSIGHTS | P3 | TOP-UP PAYMENT

Kindly be advised that around the time of the P1 provisional tax return payment in any year, the client will need to consider if there is a Top-Up or Additional Payment necessary for the previous year to balance any underpaid tax. To avoid interest payments to SARS, or if the client wishes to make a Top-Up Payment for the most recent previous year, kindly advise us accordingly via [email](#).



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX ASSURED (PTY) LTD | ANCILLARY INSIGHTS AND SERVICES

EXPAT TAX | NON-TAX RESIDENT TAX

While this is an ever-growing field within the tax regime being informed and correctly advised is extremely important. We assist with change of tax residency, directive on sale of withholding for non-residents and expat taxes. Calculating exit charges and applying for relevant approved international transfers.

ESTATE TAX

The computation of all taxes due at date of death, including calculation of any taxes due and advising on roll-over provisions with the best tax advice and planning. Registration and reporting of all estates at SARS including post death taxes and Deceased Clearance letters. The assurance of precision computation with excellent service will ensure a quick resolution during these trying times. Tax A Sured (Pty) Ltd can be requested to assist with your Last Will and Testament, including the setup of testamentary trust.

WITHHOLDING TAX | SALE OF IMMOVABLE PROPERTY (NON-RESIDENT)

Property sold by non-resident taxpayers are subject to Withholding Tax. Calculation of tax due including registration at SARS and application of directives on the sale of property.

CIT DEREGISTRATION PROCESS | SARS

Companies that are registered or generating profits/income in South Africa are subject to Company Income Tax (CIT). They must register for it with SARS, file annual and provisional tax returns, and pay their CIT liability on time to avoid penalties and interest charges.

- ⤴ A registered company may no longer need to pay CIT if it has:
 - ✦ ceased trading,
 - ✦ undergone liquidation or dissolution, or
 - ✦ has no taxable income or assets in South Africa.

In these cases, the company can apply for CIT deregistration with SARS.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Applying for CIT deregistration from SARS

The company must ensure that it has filed all its previous tax returns and paid all its tax liabilities before applying for CIT deregistration. Outstanding tax obligations are resolved by contacting SARS and applying for a settlement or dispute resolution. Before approval SARS may in addition conduct a company audit of or verify company affairs.

- ⤴ The company needs to demonstrate compliance with the following criteria to be deregistered:
 - ✦ It has ceased to trade or carry on any business activity in South Africa.
 - ✦ It has been liquidated or dissolved by a court order or voluntary resolution.
 - ✦ It has no taxable income or assets in South Africa and does not intend to derive any in the future.
 - ✦ It is a dormant company that has not traded for at least three consecutive years and has no intention of trading in the future.
- ⤴ It must also submit supporting documents, which may include:
 - ✦ A letter from the company's Board of Directors, or
 - ★ A resolution stating the reasons for applying for CIT deregistration.
 - ✦ A copy of the company's final financial statements, or
 - ★ A copy of their audited accounts.
 - ✦ A copy of their Certificate of Dissolution and Liquidation.
 - ✦ A declaration of assets and liabilities of the company.
 - ✦ A confirmation of the company's bank account closure or balance.
 - ✦ Proof of Payment of any outstanding tax debts or penalties.

The company can submit the application and supporting documents online via eFiling, email, or at a SARS branch. Once approved SARS will issue a confirmation letter to the company and deactivate its tax reference number. The company will then no longer be liable for CIT or have any related compliance obligations.

*The company **MUST** keep its records for at least five years after deregistration in case of any queries from or audits by SARS.*



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

TAX A SURED (PTY) LTD | TRAVEL

To ensure transparency and maintain compliance with the Income Tax Act No. 58 of 1962, **Tax A Sured (Pty) Ltd** reserves the right to recover travel expenses incurred while providing services to clients. This provision applies to all travel requests made by clients, as well as travel deemed necessary by Tax A Sured (Pty) Ltd to fulfil its professional obligations.

Scope of Travel Charges

Travel expenses will apply in the following circumstances:

- ⬆ Client-Initiated Requests:
 - ✦ When clients request in-person meetings, on-site consultations, or other engagements requiring travel.
- ⬆ Necessary Business Travel:
 - ✦ When Tax A Sured (Pty) Ltd determines that travel is required to deliver services effectively or comply with statutory obligations.

Fee Structure

Travel fees will be calculated based on the approved SARS rate as gazetted from year to year. This rate applies under the following conditions:

- ⬆ Travel is conducted using company or personal vehicles.
- ⬆ Accurate records of distances travelled are maintained for verification purposes.

Additional charges may apply for toll fees, parking costs, and other direct expenses incurred during travel.

Terms of Reimbursement

Tax A Sured (Pty) Ltd will provide clients with a detailed breakdown of travel expenses, including:

- ⬆ Kilometres travelled, substantiated by logbook records.
- ⬆ Supporting documentation for tolls, parking, and other incidental costs.

Clients agree to reimburse Tax A Sured (Pty) Ltd for travel expenses as outlined in their service agreement. Invoices will include all applicable travel charges and must be settled within the standard payment terms.



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

Importance of Accurate Records

To align with SARS guidelines, Tax A Sured (Pty) Ltd maintains comprehensive records of all business travel, including:

- ⤴ The date and purpose of each trip.
- ⤴ The distance travelled for client-related activities.
- ⤴ Supporting documentation for associated expenses.

Legal Framework

This travel fee policy is consistent with SARS regulations and Section 8(1) of the Income Tax Act. By adhering to these standards, Tax A Sured (Pty) Ltd ensures compliance with legal requirements and provides clients with a transparent fee structure.

Acknowledgement and Agreement

By engaging Tax A Sured (Pty) Ltd, clients acknowledge and accept the terms of this travel fee policy. This authority allows Tax A Sured (Pty) Ltd to recover necessary travel costs incurred while providing professional services.

For more information on SARS travel rates and guidelines, visit [SARS Rates Per Kilometre](#).



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za

GLOSSARY

TAX ASSURED (PTY) LTD | ABBREVIATIONS OF TERMINOLOGIES

CGT Capital Gains Tax.....	43
CIPC Companies and Intellectual Property Commission	22, 29, 34
CIT Corporate Income Tax.....	41, 42
COID Compensation for Occupational Injuries and Diseases	33, 34
PAIA Promotion of Access to Information.....	6
PIT Personal Income Tax.....	41, 42
POPIA Personal Protection of Information Act	7
SAICA South African Institute of Chartered Accountants	3
SARS South African Revenue Service	passim
SBR Standard Billing Rate.....	38
TAA S234 of the Tax Administration Act.....	9
VAT Value Added Tax.....	19, 20



5A Proot Street, Monte Vista
Cape Town, 7460



WhatsApp: 066 570 2434
Office: 087 379 5962



<https://taxassurance.co.za/>
info@taxassurance.co.za