Synopsis

Tax today

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A monthly journal, published by PwC South Africa, that gives informed commentary on current developments in the tax arena, both locally and internationally.

Through analysis of and comment on new laws and judicial decisions of interest, Synopsis helps executives to identify developments and trends in tax law and revenue practice that may affect their business.

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The interaction problem: Loans becoming section 8F instruments mid-term

When a vanilla loan becomes subject to section 8F and is recharacterised as a 'hybrid debt instrument' mid-term, questions arise regarding the interplay between section 8F and section 24J(4) if the loan is subsequently transferred to a new holder. This article explores how section 8F's reclassification of interest as dividends *in specie* intersects with section 24J(4)/(4A) on transfer of the instrument, and proposes a fair and reasonable approach to apportioning adjusted losses between historic (taxed) and recharacterised (untaxed) interest.

Introduction

Section 8F is designed to recharacterise interest on certain equity-like funding as dividends *in specie*, disallowing the issuer's (debtor's) deduction while exempting the holder (creditor) from income tax on the interest received, subject to standard dividend exemptions.

Complexity arises when a loan that initially fell outside section 8F is amended partway through its term and subsequently qualifies as a 'hybrid debt instrument'. In this case, the holder would have been taxable on interest under section 24J prior to the amendment, with subsequent 'interest' recharacterised under section 8F. If the holder then transfers the instrument, section 24J(4) may crystallise an adjusted loss on transfer. The practical question becomes how section 24J(4A) relief should apply – specifically, to what extent the adjusted loss relates to historic interest amounts previously taxed under section 24J(3) versus 'interest' recharacterised as dividends under section 8F and, so, exempt from normal tax.

Section 8F: Key principles

Section 8F is an anti-avoidance provision in the Act aimed at recharacterising interest payments on certain debt instruments as dividends *in specie* when the instrument exhibits certain equity-like features. When section 8F applies, the recharacterised dividends are exempt from income tax for the holder (assumed here to be a South African resident company) and exempt from dividends tax when declared by another South African resident company, provided all relevant documentary requirements are met.

For section 8F to apply, the loan must be classified as a 'hybrid debt instrument'. Broadly speaking, a hybrid debt instrument is defined, in relevant part, as any instrument

for which a company owes an amount during a year of assessment under an arrangement as defined in section 80L, and that falls into one or more of the following categories:

1. Instruments that a company is entitled or obliged to convert or exchange for shares on a non-value-for-value basis;
2. Instruments with payment obligations deferred based on the condition that the company's market value of assets must not be less than its liabilities; and
3. Long-term instruments owed to connected persons where the company is not obligated to redeem the instrument within 30 years from the date of issue (excluding instruments payable on demand).

Section 8F(2) provides that any amount incurred by a company or accruing to a person as interest on or after the date an instrument becomes a hybrid debt instrument is:

1. Deemed to be a dividend *in specie*, in respect of a share declared and paid by the company to the recipient on the last day of the company's year of assessment during which the amount was incurred;
2. Not deductible; and
3. Deemed, for tax purposes, to be a dividend accruing to the recipient on that date.

Section 8F may apply to an instrument from inception, or it may initially not apply but become relevant if the loan terms are amended mid-term to introduce equity-like features captured by section 8F. This article focuses on the latter scenario — loans initially classified as debt and not subject to section 8F provisions at commencement, but that become subject to section 8F due to mid-term amendments.

In such cases, the holder would have been taxable on interest income under section 24J prior to the amendments, but subsequent interest accrual would cease to be taxable once the interest is recharacterised as dividends *in specie* under section 8F.

There are several exclusions to the hybrid debt recharacterisation contained in section 8F, which are beyond the scope of this article. Below, we explore the interaction between section 8F and section 24J(4) in relation to the transfer of an instrument (for example, a loan) that becomes subject to section 8F partway through the loan term (referred to hereafter as a 'section 8F instrument').

Section 24J(4): Key principles

Section 24J sets out rules governing the tax implications of disposing of an instrument, particularly in subsections (4) and (4A).

Under section 24J(4)(*b*), any **adjusted loss** on the transfer or redemption of an instrument, calculated in relation to such transfer or redemption by a person during a year of assessment, is deemed to have been incurred by that person in that year for tax purposes.

For an adjusted loss to arise, there must be a transfer or redemption of an 'instrument' as defined. A 'redemption' is defined as the **discharging of all liability to pay all amounts under that instrument**.

For the purposes of this discussion, we focus on scenarios where a holder transfers a **section 8F instrument** and realises an adjusted loss from the transfer.

Section 24J(4A) provides that if the adjusted loss incurred on transfer includes an amount representing an accrual amount (i.e., interest) that has already been included in the holder's income in the current or any prior year under section 24J(3), then that amount shall be allowed as a **deduction** from the holder's income in the year the adjusted loss is incurred.

In other words, if the adjusted loss includes amounts previously taxed as interest income under section 24J, the holder can deduct those amounts from its income in the year the adjusted loss arises.

Interaction between section 8F and section 24J(4A)

A question arises in the following scenario: (i) A loan becomes subject to section 8F partway through its term (for example, due to amendments to the loan terms), after the holder has already been taxed on the interest income under section 24J prior to the application of section 8F; and (ii) the holder subsequently transfers the section 8F instrument to a new holder, triggering the application of section 24J(4).

Assuming the holder realises an adjusted loss under section 24J(4) on the transfer, the issue is whether the adjusted loss relates to interest amounts previously taxed under section 24J(3) (i.e., the historic interest on the loan) or to interest amounts recharacterised as dividends *in specie* for tax purposes under section 8F (and therefore exempt from income tax, unlike the historic interest before the loan terms were amended). To the extent that the adjusted loss relates to interest subject to section 8F, the holder would not be entitled to deduct that loss.

The Income Tax Act is silent on how to apportion an adjusted loss between taxed and untaxed interest amounts in this context, and neither section 8F nor section 24J explicitly addresses their interaction.

In our view, the holder could apply a reasonable method to apportion the adjusted loss between historic taxed interest and exempt recharacterised interest. Section 24J(4A) is based on the principle that a taxpayer should be entitled to deductions for interest amounts that were previously taxed but will no longer be fully received. Therefore, where part of the adjusted loss relates to historic interest included in income, the holder should be entitled to relief under section 24J(4A).

However, it would be overly aggressive to allocate the entire adjusted loss to the historic taxed interest if the adjusted loss is less than the historic interest taxed. A sensible approach seems to be to apportion the adjusted loss between historic taxed interest and untaxed (section 8F) interest on the loan on a reasonable and appropriate basis.

In *Secretary for Inland Revenue v Guardian Assurance Holdings (SA) Ltd*[1], the Appellate Division quoted the following passage from Silke South African Income Tax[2] with approval:[3]

> 'A further example of where apportionment is permissible is where expenditure is incurred partly for the purpose of deriving income which is not of a capital nature and partly for the purpose of acquiring a fixed capital asset for the business. In all these cases it is considered that the expenditure is, nevertheless, wholly or exclusively laid out for the purpose of trade and that an apportionment is permissible within the meaning of s 11(*a*) read with s 23(*g*).'

While the case dealt with an apportionment between capital and revenue expenditure and is arguably not on point, the apportionment principles could be said to remain relevant for present purposes. The court held that:

> '**In the absence of any prohibition or direction in the Act itself**, I can see no reason why, in principle, an apportionment should not be applied in the instant case. It is of course true, as contended by counsel for the appellant, that all the expenditure in the present case was incurred for a dual purpose **and that it is physically impossible to dissect the various items of expenditure for allocation to the different objects. But I cannot agree** with counsel's further contention that, for that reason, the expenditure as a whole must, for the purposes of the Income Tax Act, be regarded as expenditure of a capital nature within the meaning of s 11(a) of the Act.
>
> In the instant case it is not disputed that expenditure was deliberately incurred … with the very object of producing an income, and it seems to me that it would be **contrary to the basic principles of the Act not to permit of an apportionment but to declare such expenditure to be non-deductible merely because it is inextricably tied up with the expenditure which in any event had to be incurred for the purpose of raising the required capital**.' (emphasis added)

As mentioned, although this case differs from the facts described above, it remains relevant as a general principle. In the absence of clear guidance or prohibition within the Income Tax Act, apportionment can, in principle, be applied – even when it is difficult or impossible to determine precisely which amounts belong to specific categories. On this basis, the court upheld the taxpayer's reasonable apportionment of expenses.

It has been established that in all cases involving apportionment, the aim is to reach a solution that is fair and reasonable given the particular circumstances. If the taxpayer is dissatisfied with the apportionment made by the Commissioner, the onus lies on the taxpayer to demonstrate that it is not fair and reasonable. [4]

1 38 SATC 111.
2 6th Edition at 196.
3 At 123.
4 ITC 1589 (1993) 57 SATC 153 (Z).

Key takeaways

In the absence of explicit statutory mechanics, a principled and objectively supportable allocation – grounded in established apportionment case law – appears to best align with the scheme of the Act and helps mitigate the risk of challenge. Allocating the entire adjusted loss to historic taxed interest could be subject to dispute. The interplay between section 24J and section 8F has yet to be tested in court. While the argument for reasonable apportionment seems sound, nothing precludes a taxpayer from adopting a favourable interpretation, provided the position taken can be reasonably justified.

Taxpayers are advised to seek appropriate professional consultation.

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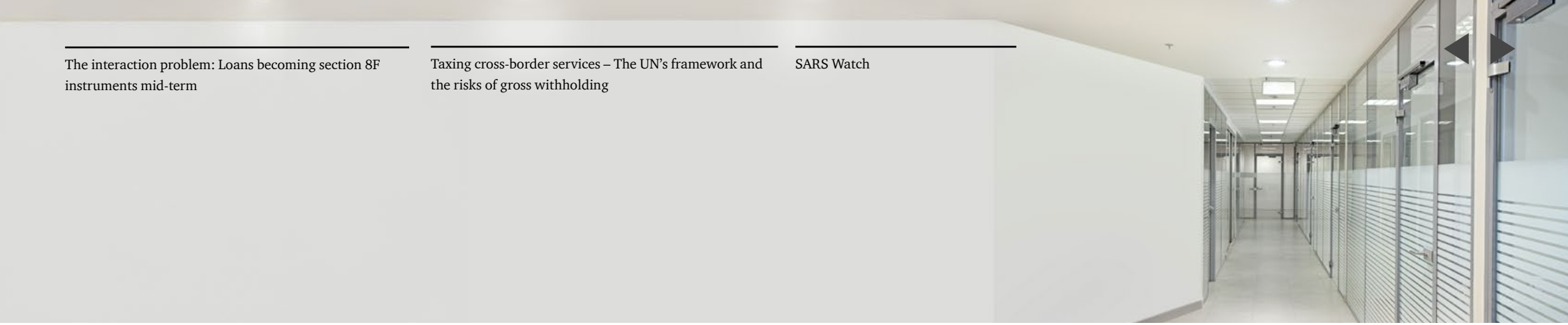

Taxing cross-border services – The UN's framework and the risks of gross withholding

Introduction

The problem statement

The global economy has evolved rapidly, and has altered fundamentally over the last years. Multinational enterprises ("MNEs") now generate substantial revenue from cross-border services delivered remotely, thus challenging historical international tax frameworks that were built on the principle of physical presence. This has arguably contributed to base erosion and profit shifting ("BEPS") issues over the years, particularly for developing countries, which are often net importers of services and possess limited administrative capacity to counter sophisticated tax avoidance strategies.

The UN's proposed solution

A growing number of developing countries have raised concerns that the process for setting global tax policy for the digital age has not always been sufficiently inclusive. The notable shift in the international tax landscape has propelled the United Nations ("UN") to the forefront of the global tax debate, historically led by the Organisation for Economic Co-operation and Development ("OECD").

The development of a new UN Framework Convention on International Tax Cooperation ("UN Framework") reflects a desire on the part of developing countries for a more broad-based and participatory approach to the formulation of rules of international taxation. While the objective of securing a fairer allocation of taxing rights is arguably both legitimate and necessary, one of the primary instruments in the UN Framework, namely a withholding tax ("WHT") on services, could be a potentially damaging tool if levied on a gross basis. Policymakers, especially in capacity-constrained administrations, may view gross-basis tax instruments as attractive due to their simplicity, enforceability, and immediate revenue collection. However, this article considers whether a heavy reliance on gross withholding taxes may create punitive tax burdens, heighten the risk of double taxation, and ultimately impose costs on the very developing-country businesses it is intended to help, with resultant impediments to long-term economic growth and investment.

The UN's quest for greater taxing rights on cross-border services

Article 12AA of the UN model tax convention

The UN Tax Committee has consolidated previous efforts into a new provision for its model tax convention. Article 12AA, which was adopted in March 2025, allows a contracting state to tax fees for services paid to a resident of the other contracting state at a bilaterally negotiated rate on a gross basis. Notably, it broadens the scope of the types of services covered, which were previously limited to fees for technical services (Article 12A) and independent personal services (Article 14).

Crucially, the taxing rights under this Article are delinked from physical presence. The UN's commentary explicitly states that it is not necessary for the services to be performed in the source state, i.e., where the payer of the service fee is resident, for the tax to apply. This is a direct response to business models that enable a "significant economic presence" without a traditional permanent establishment ("PE") in the source country. The rationale is to provide a simple, direct mechanism for source countries to counteract the tax base erosion that occurs when a local entity claims a tax deduction for service fees paid to a non-resident MNE that, under historical rules, would pay no tax in that jurisdiction. This represents a fundamental break from the PE principle that has anchored international tax treaties for decades, creating a parallel taxing right for services that renders the physical presence threshold irrelevant for these transactions.

The Framework Convention's protocol on services

Building on some of the principles established in its model convention, the UN Framework is envisioned to be a legally binding multilateral instrument supplemented by specific protocols on priority issues. Driven by the African Group within the UN, one of the first and most critical protocols will address the taxation of income from cross-border services. Similar to Article 12AA, the stated objective is to restore taxing rights eroded by modern business models, such as the digital delivery of services from abroad, under the guiding principle that tax should be paid where economic activity occurs and value is created.

Discussions within the UN's Intergovernmental Negotiating Committee ("INC") reveal a strong consensus among developing countries in favour of rules that do not depend on physical presence and that secure taxing rights for source countries. As many of these countries already impose gross withholding taxes on service payments in their domestic law, the protocol is widely expected to legitimise and standardise this practice at a multilateral level to optimise domestic revenue mobilisation.[1]

Criticisms of the proposed solution for the taxation of cross-border services

Despite its administrative simplicity, applying a WHT to the gross value of a service payment is a blunt instrument that may create economic distortions and risks, the most significant of which are outlined below.

1 Choudhury, H. & Hann P., 2025, 'Progress for Developing Countries in the U.N. Convention on Tax Cooperation', Tax Notes International, Vol. 120: 416–418.

A high cost for low margins

A gross-basis tax is levied on total revenue without taking into account the costs incurred to generate that revenue. This approach ignores the fundamental business reality of profitability. The true measure of a tax burden is its effective tax rate ("ETR"), i.e., the percentage of pre-tax profit actually paid in tax. A WHT rate of 15% (a common rate found in many domestic laws and tax treaties) can have a detrimental impact on the ETR of service providers with different business models, as analysed below.

Table 1: The impact of a 15% gross withholding tax on ETR

Business model	Service revenue	Cost of service	Profit (pre-tax)	Profit margin	WHT payable (15% of revenue)	Effective tax rate (WHT / Profit)
High-margin (e.g., software)	100	30	70	70%	15	21.4%
Mid-margin (e.g., consulting)	100	80	20	20%	15	75.0%
Low-margin (e.g., support services)	100	95	5	5%	15	300.0%

As Table 1 illustrates, the ETR for a low-margin support service provider becomes confiscatory, with a tax liability three times the actual profit earned. Such punitive ETRs make it commercially unviable to provide these services, discouraging foreign investment and reducing the availability of essential business inputs that local economies need to thrive. A simple sensitivity test, varying both margins (e.g., 5%, 10%, 20%) and WHT rates (e.g., 5%, 10%, 15%), produces the same qualitative result, namely that gross-basis taxes disproportionately penalise lower-margin service models.

Double taxation risk in Africa

The primary mechanism for preventing international double taxation is a double tax agreement ("DTA"), which allocates taxing rights and obligates an investor's resident country to provide relief for taxes paid in a source country. However, many African countries have limited and outdated DTA networks, often reflecting a legacy of unequal negotiating power.

When a country unilaterally imposes a withholding tax on services in the absence of a DTA, there is no legal mechanism to compel the service provider's resident country to grant a foreign tax credit for the tax paid in the source country. The result is unrelieved double taxation, e.g., an MNE pays the withholding tax in the source country and is then taxed again on the same profit in its residence country. Even where a DTA exists, domestic law creditability limitations (such as limiting the credit to the domestic tax that would have been suffered on the net income – which is much less than the actual withholding tax), characterisation mismatches, and timing or cash-flow effects can lead to partial or no relief. Access to mutual agreement or refund procedures may in theory mitigate these pressures but often do not eliminate them, particularly as tax relief is in practice difficult to obtain and may take years to effect. This creates a prohibitive barrier to cross-border trade and investment, undermining the very development goals that increased tax revenues are meant to fund. This push for unilateral measures, without a concurrent plan to modernise and expand treaty networks, threatens to unwind decades of progress in facilitating global commerce.

Who really bears the tax burden and the economic impact

Tax incidence distinguishes between the person with the legal obligation to pay a tax and the person that bears the actual economic cost. The economic burden may be shifted through price adjustments and depends on the relative price elasticities, i.e., the responsiveness to price changes of supply and demand. For example, in the market for specialised cross-border services, the MNE supplier often provides a critical service for which demand is relatively inelastic. The MNE can choose which markets to serve, however, making its supply to any single market that imposes a punitive tax relatively elastic. Economic theory predicts that the burden falls on the party who is less sensitive to price changes, i.e., the more inelastic curve. The MNE service provider will invariably pass on the cost of a non-creditable withholding tax to its customer by increasing its price. Consequently, the tax designed to capture revenue from foreign MNEs effectively becomes an additional input cost for domestic businesses, reducing their profitability and global competitiveness.

This negative outcome is further reinforced by global transfer pricing norms. Both OECD and UN guidelines mandate that transactions between related parties be priced as if they were between independent third parties, i.e., the arm's length principle. An independent third-party service provider would not agree to absorb a country-specific, non-creditable tax that decimates its own profit margins. To maintain its normal commercial return, it would either increase its price to the customer in that market to cover the cost of the tax, or it would decline to provide services to that customer in that market. Therefore, for a transaction between related MNE entities to be at arm's length, the service provider may have to charge a price that accounts for the withholding tax. The source country's tax would effectively shift back onto its own local businesses.

Takeaway: A call for a balanced approach

It is clear from the above that a gross withholding tax on services could potentially be detrimental to taxpayers and domestic businesses and that a sustainable and fair system for taxing cross-border services should include a mechanism for taxing actual profits at a reasonable rate. This should allow countries to achieve their domestic revenue mobilisation goals without creating prohibitive barriers to investment and to trade in services needed for a vibrant, competitive economy. Accordingly, policymakers should carefully consider the available policy options and their economic impact when designing tax policies for their jurisdictions.

While negotiations on the UN Framework remain in progress and the final text is only expected to be submitted to the General Assembly by 2027, taxpayers should continue to closely monitor developments and stay cognisant of the respective countries' views and input as an early indication of what the future may hold.

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SARS Watch:

SARS Watch 26 September 2025 – 25 October 2025

Legislation

24 October 2025	Notice 6762 – Notice published in terms of section 18A(2)(a)(vii) prescribing the further information that must be contained in a receipt issued in terms of section 18A(2)(a) of the Act	Published in Government Gazette No. 53589, with an implementation date of 1 March 2026.

Interpretation

16 October 2025	Draft Interpretation Note – Reduced assessments: Meaning of "readily apparent undisputed error"	Comments are due to SARS by Friday, 28 November 2025.
16 October 2025	Interpretation Note 140 – Diminution in the value of closing stock	Practice Note 36 of 1995 relating to the valuation of trading stock has been withdrawn and replaced by Interpretation Note 140 with effect from 16 October 2025. This Note provides guidance on the determination of the diminution in the value of closing stock, which is deducted from the cost of that closing stock for purposes of determining the amount of closing stock that must be included in gross income under section 22(1)(a). It does not deal with the valuation of trading stock in the case of mining operations or farmers, or trading stock falling under section 22(1)(b).

29 September 2025	Interpretation Note 119 (Issue 2) – Deductions in respect of improvements to land or buildings not owned by a taxpayer	This Note provides guidance on the interpretation and application of the following: • Section 12N, which facilitates allowances under specified sections of the Act for improvements made to land or buildings not owned by a taxpayer but over which the taxpayer holds a right of use or occupation. The improvement must be effected under a public private partnership ("PPP"), a lease agreement with the state or certain other tax-exempt statutory bodies and the state or that body owns the land or building, or under the Independent Power Producer Procurement Programme. • Section 12NA, which deals with deductions for improvements effected under a PPP by a person to land or to a building over which the state holds the right of use or occupation.
Binding rulings		
6 October 2025	Binding General Ruling 4 (Issue 5) – Apportionment methodology to be applied by a municipality	This ruling prescribes the apportionment method that a municipality must use to determine the ratio contemplated in section 17(1) to calculate the amount of VAT that may be deducted as input tax on mixed expenses. This ruling does not extend to municipal entities or any other entity or organisation which municipalities have invested in or have entered into agreements with.
Customs and excise		
24 October 2025	Notice R.6756 – Amendment to Schedule No. 1, by the substitution of paragraph 1 of General Note O, to include Ethiopia as part of the State Parties in the African Continental Free Trade Area ("AfCFTA") agreement	Published in Government Gazette No. 53572, with retrospective effect from 14 August 2025.
10 October 2025	Draft amendments to forms: • DA 159 – Petroleum Products: Account for Special Storage Warehouse • DA 160 – Petroleum Products: Account for Manufacturing Warehouse	Comments were due to SARS by Thursday, 23 October 2025.
3 October 2025	Notice R.6711 – Amendment to Schedule No. 2, by the substitution of the heading to include the reference to "Safeguard"	Published in Government Gazette No. 53461, with effect from 1 January 2026.
3 October 2025	Notice R.6710 – Amendment to Part 1 of Schedule No. 1, by the substitution of various tariff subheadings, to implement the phase-down rates of customs duties in terms of the AfCFTA agreement	Published in Government Gazette No. 53461, with effect from 1 January 2026.
3 October 2025	Notice R.6709 – Amendment to Part 1 of Schedule No. 1, to provide for technical amendments, by the insertion of new eight-digit tariff subheadings under chapters 29, 38, 68, 70, 74 and 83	Published in Government Gazette No. 53461, with effect from 1 January 2026.

26 September 2025	Updated Prohibited and Restricted Imports and Exports list	• Tariff heading 8523.52.10 no longer requires a letter of authority from NRCS. • The Department of Mineral Resources and Energy has changed to Department of Electricity and Energy.

Case law

In accordance with the date of judgment

30 September 2025	Mr Taxpayer G v Commissioner for the South African Revenue Service (IT 24502) [2025] ZATC CPT	Whether the avoidance arrangement was entered into or carried out by means or in a manner which would not normally be employed for bona fide business purposes, other than obtaining a tax benefit.
18 September 2025	Ditsoane Trading Project CC v CSARS (4438/2023) [2025] ZAFSHC	Application for leave to appeal against judgment delivered on 29 January 2025.
5 September 2025	SARSTC IT 46010 (MPRR) [2025] ZATC JHB	The issue concerns the proper quantum of royalty liability in respect of platinum group minerals. It turns on the interpretation and application of section 6(2)(b), section 5(2) – paragraph (ii) of the deduction clause read with section 6A(1)(a) of the Royalty Act, which govern the calculation of gross sales and EBIT when unrefined mineral resources are transferred below the condition specified in Schedule 2.
29 January 2025	Ditsoane Trading Project CC v CSARS (4438/2023) [2025] ZAFSHC 260	This case deals with two issues: first, the powers of the Commissioner to establish the Audit Penalty Committee and to determine a taxpayer's behaviour for purposes of ss 222 and 223 of the TAA; and second, the regularity of the process followed by SARS in imposing the understatement penalty on the applicant.

Other publications

24 October 2025	**SARS media release:** South Africa's exit from the FATF grey list	SARS welcomes the decision by the Financial Action Task Force ("FATF") to delist South Africa from its "grey list" of jurisdictions under increased monitoring. The media release provides more details.
24 October 2025	**National Treasury media statement:** South Africa Exits the FATF Greylist on 24 October 2025	National Treasury congratulates all relevant government departments and government agencies on the success of their individual and collective efforts and acknowledges their commitment to ensuring that the country exits the FATF greylist. National Treasury also acknowledges the support and guidance received from ESAAMLG, the support from the private sector, including regulated institutions, and the technical assistance provided by the EU, UK, USA, Switzerland and the World Bank.
22 October 2025	**OECD:** OECD publishes the third batch of updated transfer pricing country profiles with new insights on hard-to-value intangibles and simplified distribution rules	The OECD has released a new batch of updated transfer pricing country profiles reflecting the current transfer pricing legislation and practices of 25 jurisdictions and including, for the first time, the profiles of Cabo Verde, Guatemala, Thailand, the United Arab Emirates, and Zambia.

20 October 2025	**Tax Alert:** SARS expedited tax-debt compromise process	On 30 September 2025, SARS issued a media release announcing its newest initiative to collect revenue and to assist taxpayers to bring their affairs up to date. The project is a rapid debt compromise programme which culminates from consultation with recognised controlling bodies ("RCBs") in the tax industry.
20 October 2025	**OECD:** Brazil signs the Multilateral BEPS Convention, reducing opportunities for tax avoidance by multinational enterprises	Brazil signed the Multilateral Convention to Implement Tax Treaty-Related Measures to Prevent Base Erosion and Profit Shifting ("BEPS Convention").
17 October 2025	**SARS media release:** SARS welcomes judgment on Mr Lucky Montana	SARS welcomed a favourable High Court judgment in its sequestration proceedings against Mr Tshepo Lucky Montana, with the court striking out his affidavit and dismissing both his condonation application (July 2025) and his application for leave to appeal (October 2025), each with costs.
16 October 2025	**National Treasury media statement:** South African Presidency G20 Finance Track – Building a Better Africa	This media statement outlines initiatives on debt sustainability, cross border infrastructure, macroeconomic resilience, pandemic preparedness financing, sustainable finance and carbon markets, financial inclusion and payments, international taxation, and strengthening Africa's representation in G20 processes.
16 October 2025	**National Treasury media statement:** 4th Meeting of G20 Finance Ministers and Central Bank Governors	This media statement summarises outcomes of the fourth G20 Finance Ministers and Central Bank Governors meeting under South Africa's presidency, highlighting the launch of the G20 Africa Engagement Framework, the first G20 Declaration on Debt Sustainability, and progress on AI, cross border payments, financial inclusion, sustainable finance, MDB reform, and tax coordination.
16 October 2025	**National Treasury:** 4th Finance Ministers and Central Bank Governors Meeting - Chair's Summary	This summary outlines commitments to stronger multilateral coordination, enhanced debt transparency and sustainability, mobilising private capital (with a focus on Africa), advancing pandemic preparedness financing, and launching the 2025–2030 Africa Engagement Framework ahead of the 2025 G20 Summit.
16 October 2025	**National Treasury:** 4th Finance Ministers and Central Bank Governors Meeting – Ministerial Declaration on Debt Sustainability	Ministerial declaration outlining commitments to enhance debt sustainability for low- and middle-income countries, including strengthening the Common Framework, improving debt transparency, and supporting countries with liquidity challenges. This also reviews progress since the Debt Service Suspension Initiative ("DSSI"), notes cases under the Common Framework, and encourages tools such as crisis/climate-resilient clauses, liability management, and targeted IMF-World Bank support.
15 October 2025	**SARS media release:** SARS urges non-provisional taxpayers to file their income tax returns before 20 October deadline	The deadline for non-provisional taxpayers to submit annual income tax returns was 20 October 2025.
15 October 2025	**OECD:** A Decade of the BEPS Initiative: An Inclusive Framework Stocktake Report to G20 Finance Ministers and Central Bank Governors	This report takes stock of the progress made in implementing the base erosion and profit shifting ("BEPS") measures and the economic impact these changes have had.

15 October 2025	**OECD:** OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors (G20 South Africa, October 2025)	This report sets out recent developments in international tax co-operation, including the OECD's support of G20 priorities such as the implementation of the BEPS minimum standards, the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy, and tax transparency.
8 October 2025	**SARS:** Access to Information	The following changes were made to the Promotion of Access to Information Act, 2000 ("PAIA") page: • Updated to, amongst others, include the Protection of Personal Information Act, 2013 • Publication of Issue 8 of the Manual on the Promotion of Access to Information Act, 2000, and Protection of Personal Information Act, 2013
1 October 2025	**National Treasury:** Annual Report 2024/2025	The report explains how National Treasury managed South Africa's public finances in 2024/25, covering fiscal strategy, debt, the budget, SOEs, intergovernmental transfers, and procurement/PPP/infrastructure and municipal finance reforms. It summarizes performance and governance highlights– Operation Vulindlela progress, FATF grey list remediation, 2025 G20 presidency preparations, and an unqualified audit – alongside key risks and next step priorities.
1 October 2025	**SARS media release:** Publication of the Office of the Tax Ombudsman ("OTO") Draft Report on alleged eFiling Profile Hijacking for Public Comment	SARS notes the OTO's draft report for public comment on alleged eFiling profile hijacking, says many recommendations are already embedded in its modernisation programme, and commits to further strengthening authentication, fraud detection, refund-verification systems, and collaboration with banks, CIPC, and SAPS amid evolving cyber risks. The media release provides more details.
30 September 2025	**SARS media release:** SARS Commits to Expedited Tax-Debt Compromise Process	SARS, in agreement with RCBs, launched an expedited tax debt compromise process to assist taxpayers to pay their debts. The normal debt compromise process remains open to all taxpayers. The media release provides more details.
30 September 2025	**SARS media release:** Trade Statistics for August 2025	South Africa recorded a preliminary trade balance surplus of R4.0 billion in August 2025. This surplus was attributable to exports of R171.3 billion and imports of R167.4 billion, inclusive of trade with Botswana, Eswatini, Lesotho and Namibia ("BELN"). The media release provides more details.
29 September 2025	**OECD:** Argentina deposits its instrument of ratification of the Multilateral BEPS Convention, further strengthening the global fight against tax avoidance	Argentina deposited its instrument of ratification for the Multilateral Convention to Implement Tax Treaty-Related Measures to Prevent Base Erosion and Profit Shifting. The BEPS Convention will enter into force on 1 January 2026 for Argentina.
26 September 2025	**SARS media release:** Joint Statement by the South African Revenue Service and the Office of the Tax Ombud	SARS and the OTO address reports of hijacked eFiling profiles and flag inaccuracies in a recent article. They reaffirm their cooperation and ongoing security measures to protect taxpayers and the integrity of the tax system. The OTO will publish its draft report on 1 October 2025 after extensive consultation. Please see the media release for full details.
26 September 2025	**SARS media release:** Half-Year Revenue Payment	SARS encourages all taxpayers who are due to make payments to do so by the earliest available date to avoid unnecessary delays, penalties and interest for late payment.

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