

Tax Alert



27 May 2021

Let's talk

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2021 Filing season

In brief

On 14 May 2021, SARS issued Notice No. 419 in *Government Gazette* No. 43495, in terms of which taxpayers are notified to submit their tax returns for the 2021 year of assessment. Following the release of the Notice, SARS announced (on 25 May 2021) that the 2021 Filing season will start on 1 July 2021.

This Alert discusses the announcement as well as the schedule and submission requirements.

General

Taxpayers who are registered on eFiling (file their returns on the eFiling platforms) or who require assistance to file at a SARS branch are required to submit their returns by 23 November 2021 (this year, the deadline is the same for both types of filers). Provisional taxpayers and trusts have until 31 January 2022 to submit their returns.

Selected taxpayers will be auto assessed. These taxpayers should review the information in their returns before accepting assessment and can edit their returns where necessary.

Manner in which returns must be submitted

Companies must file returns electronically using the eFiling website.

Individuals and trusts may file their returns through the e-Filing platform (if registered on e-Filing),

or electronically with the assistance of a SARS official at a SARS branch (provided that an appointment is made through the SARS booking system beforehand).

Persons required to submit returns

The following are key categories of persons required to submit returns:

- Every company or other juristic person that is not a resident and that:
 - carried on a trade through a permanent establishment in South Africa;
 - derived income from a source in South Africa; or
 - derived any capital gain or loss from a disposal of an asset to which the Eighth Schedule of the Income Tax Act applies.



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- Every South African-incorporated company that is, as a result of an applicable double taxation agreement, not a resident in South Africa.
- Every resident company or other juristic person who, during the year of assessment:
 - had gross income that exceeded R1 000; or
 - had assets or liabilities to the value of R1 000 or more;
 - derived any capital gain or loss exceeding R1 000 from a disposal of an asset; or
 - had taxable income, taxable turnover, an assessed loss or an assessed capital loss.
- Every individual (natural person) who:
 - is a resident and carried on any trade (other than solely as an employee);
 - is not a resident and carried on a trade in South Africa (other than solely as an employee);
 - was paid or granted certain allowances relating to business travel, accommodation or subsistence;
 - was granted certain taxable benefits or advantages derived by reason of employment or the holding of any office and whose gross income exceeded R83 100 (if under 65), R128 650 (if older than 65 but under 75) or R143 850 (if older than 75 years);
 - is a resident and had capital gains or losses exceeding R40 000;
 - is not a resident and derived any capital gain or loss from the disposal of any asset to which the Eighth Schedule of the Act applies;
 - is a resident and held foreign currency or owned assets outside of South Africa which had a value of more than R250 000 at any stage during the year;
 - is a resident to whom any income or capital gains could be attributed due to fluctuations in the value of the South African currency relative to any foreign currency;
- is a resident and held any participation rights in a controlled foreign company; or
- is issued with a tax return or is requested by SARS in writing to file a return (irrespective of income).
- Estates of deceased persons which had gross income.
- Every non-resident with South African sourced interest income if:
 - the person is an individual who was present for 183 days in total in the 12 months before receipt or accrual of the interest; or
 - the debt from which the interest arises is connected to a permanent establishment of the person in South Africa.
- Any representative taxpayer of any person listed above.

Persons not required to submit returns

A natural person or estate of a deceased person is not required to submit a return if their gross income consists solely of any one or more of the following:

- Remuneration not exceeding R500 000 from a single source with no additional benefits or claimable allowances, and employees' tax has been withheld in respect of that remuneration;
- Interest income from South Africa (excluding a tax free investment) not exceeding:
 - R23 800 for a person younger than 65;
 - R34 500 person aged between 65 and 75; or
 - R23 800 for a deceased person's estate;
- Dividends where the individual was a non-resident throughout the year of assessment; and
- Amounts received or accrued from tax-free investments.

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