

Tax Alert

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Let's talk

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2022 Tax Filing Season

In brief

SARS has published a notice to appear in the Government Gazette on 3 June 2022, to notify taxpayers to submit income tax returns for the 2022 year of assessment, as well as the periods within which the returns must be furnished.

SARS notes that between 4 June 2022 and the opening of Filing Season (July 2022), prepopulated data reflected in returns requested via eFiling, the SARS Mobi application or via a SARS branch office, may not be comprehensive until Filing Season is officially opened to the public.

This Alert summarises the draft notice.

Submission periods

A company must submit its income tax return within 12 months from the date on which its financial year ends.

Other taxpayers must submit an income tax return as follows:

- On or before 24 October 2022 for:
 - Non-provisional taxpayers using eFiling; and
 - Taxpayers who submit their returns electronically at a SARS office (assisted by a SARS official) or manually.
- On or before 23 January 2023 for:
 - Provisional taxpayers using eFiling.

- Where accounts are accepted by SARS in terms of section 66(13A) of the Act (i.e. in circumstances where SARS is satisfied that income of certain persons cannot be conveniently returned for the year of assessment) and the accounts are drawn to a date after 28 February 2022 but on or before 30 September 2022, within six months from the date that the accounts are drawn.

Manner in which returns must be submitted

Income tax returns

Unless otherwise agreed with SARS:

- Companies must file returns electronically using the eFiling platform.
- Individuals and trusts must file their returns electronically, either via the eFiling platform or by visiting a SARS branch office for assistance.

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- Institutions, boards or bodies may:
 - submit the return electronically (either via eFiling or at a SARS branch office);
 - forward the return to SARS by post; or
 - deliver the return to a SARS office.

Returns for turnover tax

Unless otherwise agreed with SARS, the return must be sent to SARS by postal service or delivered at a SARS branch office.

Persons required to submit income tax returns

The following persons must submit an income tax return:

- Every resident trust.
- Every company or other juristic person that was 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.
- 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 resident juristic person who, during the year of assessment:
 - had gross income that exceeded R1,000; or
 - had assets with a cost of more than R1,000 or liabilities of more than R1,000 at any time;
 - derived any capital gain or loss exceeding R1,000 from a disposal of an Eighth Schedule asset; or
 - had taxable income, taxable turnover, an assessed loss or an assessed capital loss.
- Every individual (natural person) who:
 - was a resident and carried on any trade (other than solely as an employee);
 - was not a resident and carried on a trade in South Africa (other than solely as an employee);

- was a resident and had capital gains or losses exceeding R40,000;
- was not a resident and derived any capital gain or loss from the disposal of any Eighth Schedule asset;
- was a resident and held foreign currency or owned assets outside of South Africa which had a total value of more than R250,000 at any stage during the year;
- was 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;
- was a resident and held any participation rights in a controlled foreign company;
- was a resident and had taxable turnover; or
- at the end of the tax year
 - was under the age of 65 and had gross income exceeding R87,300;
 - was 65 years or older (but under the age of 75) and had gross income exceeding R135,150;
 - was 75 years or older and had gross income exceeding R151,100; 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 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 for a person of 65 or older; 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.
- The above exemption does not apply to individuals in the following circumstances, i.e. if:
 - paid or granted certain allowances/advances relating to business travel, accommodation or subsistence;
 - granted certain taxable benefits or advantages derived by reason of employment or the holding of any office; or
 - any amount was received by / accrued in respect of foreign services rendered.

Takeaway

It should be noted that SARS has significantly reduced the deadlines for filing returns from those that applied in previous years in certain circumstances. Taxpayers should ensure that they meet the deadlines in order to avoid the potential imposition of any penalties.



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