



Tax

Alert

26 May 2021

Let's talk

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Changes to SARS eFiling

In brief

SARS has recently made changes to its eFiling platform. The changes will have a significantly impact on how tax practitioners and taxpayers interact with SARS on the platform relating to how tax types are transferred.

In detail

Background

On 23 April 2021, SARS published details relating to changes to its eFiling platform (<https://secure.sarsefiling.co.za/>).

The most important changes relate to how tax types of taxpayers, such as Value-Added Tax ('VAT'), Income Tax and Pay-as-you-Earn ('PAYE') are activated and transferred between the holding party (i.e. the taxpayer or current tax practitioner) and a requesting party (e.g. a new tax practitioner).

Previously, if a taxpayer's eFiling tax type was held by a tax practitioner, it could be requested by the new tax practitioner using eFiling, and the current tax practitioner would be required to approve the transfer on eFiling.

The change

With the latest changes, the activation or transfer of a tax type

on eFiling must be approved by the taxpayer's representative taxpayer ('the representative'), such as the taxpayer's public officer or fiscal representative.

The approval is obtained either by the representative logging into eFiling to approve the transfer, or by the representative approving the tax type transfer using a link on SARS' website (the latter would be required where the representative is not registered as a user on eFiling, which would be the case where the representative is the public officer of a non-resident company).

Importance of correct details

It is important to note that the representative's details must be current and correct on SARS' system. This is because, when the tax practitioner requests the tax type, the representative will receive an email or SMS and, further, if the representative elects to release the tax type using



SARS' website, they will receive an OTP that they will require in order to obtain the approval.

Furthermore, should a taxpayer's representative not have valid contact details on SARS' system, the tax practitioner cannot activate or request the tax type and the public officer's details will first need to be updated at SARS.

An additional consideration is that should the representative reject the transfer request three times, the tax practitioner will be blocked from requesting any further tax types, for that taxpayer, for a period of 21 days.

Regarding foreign companies registered for VAT in South Africa that do not have a South African CIPC company registration number, we have noted several instances where SARS has not populated the foreign company's company number onto their systems. Prior to the recent eFiling changes, the omission of the company registration number on the registration details (RAV01) did not cause any known operational issues.

An omission of the company registration number will, however, now create a further complication in that the tax practitioner will not be able to create a profile for the foreign company on eFiling. It is therefore important for companies to ensure that their company registration numbers are correctly recorded by SARS in its systems. Should this not be the case, the company should request SARS to update its records and systems as appropriate. The company registration number may be checked on SARS eFiling by examining the information found on the RAV01 (registration details).

Legislation

Section 153 of the Tax Administration Act ('TAA') requires that any person who becomes or ceases to be a representative must notify SARS, within 21 days of such change. Furthermore, subparagraph (3) of that section states that failure to notify SARS of these changes does not relieve the representative of any of their liabilities, responsibilities or duties as imposed by the TAA.

It is therefore of paramount importance that any changes to a representative be communicated to SARS within the deadlines stipulated by the TAA.



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