



# Tax Smart

## Client Newsletter

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### Links to Website:

<a href="#">Customer Satisfaction Survey</a>
<a href="#">Provisional Tax Payer Registration</a>
<a href="#">2012 Provisional Taxpayer Pack</a>
<a href="#">Penalties</a>

## Service Excellence

Tax Smart prides itself on its level of service and we continually strive to improve this. We consider you the client a valuable stake holder in our business.

Tax Smart is currently conducting a [customer satisfaction survey](#) as we value your feedback and we encourage you to partake in this survey. The survey is electronic and we have posted it on our website. In appreciation of your time, Tax Smart will enter your email address into a random draw for his and hers gift hamper of books.

In order to ensure the highest levels of

technical standards and service levels are met we have made a recent appointment. We would like to welcome [Gareth Hardy](#) to the Tax Smart team. Gareth has been appointed as Tax Manager for both Individual taxation as well as corporate taxation.

He holds a CMA, BComm and an H Dip Tax, he is a taxation specialist. Gareth has worked as a taxation manager in an investment bank, large listed ICT company and has consulted to various large listed entities as well as high net worth individuals.

## 2011 Tax Year

The 2011 tax year **for provisional taxpayers** has drawn to a close and the deadlines for electronic submissions were as follows:

Non-Provisional Taxpayers  
– 25 November 2011

Provisional Taxpayers  
– 31 January 2012

For those of you who are unsure as to when to register as provisional taxpayer please visit our [FAQs section](#) on our website for more information. You may be a provisional taxpayer so please ask us!

If you have not submitted your 2011 tax return as yet please contact us as [penalties](#) will be levied on late submission.

## 2012 Tax Year

The 2012 tax year is almost at an end. For those of you that are provisional taxpayers we have updated our website with the [2012 provisional taxpayer pack](#). We have simplified and streamlined the pack this year.

In order to maintain the levels of service we strive for we ask that you complete this pack and contact your consultant so the return can be rendered on time to avoid interest and penalties.

For those of you who are non-provisional taxpayers, your IRP5's, investment and

medical certificates will be issued during the course of the 2012 year. Clients are encouraged to submit their information as soon as possible so that your tax return can be submitted on time. This will ensure adequate time to follow up on outstanding information and deal with any queries to avoid late submission.

SARS have as yet not set a deadline for non provisional taxpayers. The electronic submission of these returns will most likely be in October or November of 2012. We will inform you of the relevant dates when these become available.





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### Penalties

SARS charge penalties for various matters regarding non-compliance with the relevant tax Acts. The most common of these and the easiest to avoid are those for late submission of annual tax returns. It is important to note that these specific penalties are levied on a **monthly basis**.

The penalties are based on your taxable income. Please refer to our website for the **penalty amounts**. Thus higher income earners are penalised more than lower income earners. These penalties can cost hundreds if not thousands of rands and are very difficult to have reversed.

### New medical aid contribution tax credit system

In an effort to achieve greater equality in treatment of medical aid contribution tax deductions SARS will be implementing a new system from 1 March 2012. Medical aid tax credits will be available to taxpayers who belong to a medical aid scheme and are below the age of 65 as follows:

- R216 each per month for contributions made in respect of the employee and dependant, plus
- R144 per month in respect of each additional dependant.

Taxpayers 65 years and older will still be entitled to the full medical deduction. Clients may observe an adjusted net take home salary. This adjustment is as a result in the change of the tax regime. This will in essence mean that higher income earners will be paying more tax and lower income earners will be paying less.

Your employer will be changing the relevant codes on your IRP 5's.

### Change of taxpayer banking details with SARS

SARS have changed the process for the above effective 1 July 2011. Whilst Tax Smart can change your banking details on e-filing, SARS will require verification from you. SARS will not let Tax Smart do this on your behalf. You will need to go to your nearest SARS branch in person.

You will need:

- Original identity/passport document and a certified copy

- Original stamped bank statement not more than three months old
- Proof of residence i.e. a utility bill, mortgage bond account or telephone account (Telkom/Neotel/Vodacom etc)
- Without authorised banking details payments and refunds cannot be effected electronically.

### Additional Service

As you are aware Accumulo Consulting acquired Tax Smart in 2009. Accumulo Consulting has a wide range of specialist services including accounting, confidential payroll, consulting, corporate

secretarial and corporate taxation. For more information regarding the above mentioned services please visit [www.accumulo.co.za](http://www.accumulo.co.za).

### In Closing

We would like to thank all our clients for their continued support and look forward to a prosperous 2012. As always please

feel free to contact us should you have any queries or questions.

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