



Tax Smart

Client Newsletter

May 2012

Volume 2, Issue 2

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Links to Website:

- [2012 logbook](#)
- [Provisional Taxpayers](#)
- [Provisional Taxpayer Pack](#)
- [2013 Logbook](#)
- [Accumulo Consulting](#)

Individual Tax Department

In order to maintain service excellence in the tax department we have recently promoted Esron Butjie and Ellaine Naidoo to Senior Consultants. We will be making new appointments during the course of the year.

Right: Esron Butjie and Ellaine Naidoo



The Importance of Tax Consultants

The South African Revenue Services (SARS) has recently undertaken a huge drive to encourage you, the taxpayer, to submit your returns online. The SARS preferred channel to render these returns is via their eFiling system. The SARS eFiling website has dramatically changed the way in which tax returns are rendered.

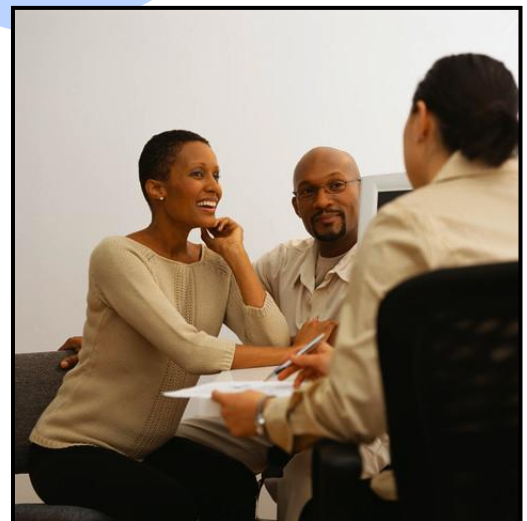
Whilst the website is accessible to all it does pose certain challenges. Without having specialist knowledge of how to complete registration forms, annual tax returns and other important documentation you could easily make errors when using the website. To this extent TaxSmart uses highly sophisticated software which integrates directly with SARS.

You may ask what does this mean for me? In short our tax consultants are in a position to review your tax situation and calculate it independently from SARS and not rely on eFiling to determine how much tax you should pay or get back. We are able to compare our tax numbers to SARS and address any discrepancies timeously.

The tax legislation is complex and often hard to understand for the man in the street. This is where we are able to assist you so that your tax affairs are managed as efficiently as possible. SARS are not

liable for any mistakes regarding the computation of your tax as eFiling is a self-assessment system and relies on you to input information and check your tax computation and lodge objections if necessary.

In summary as tax advisers we are in a position to offer the correct advice and act as a buffer between you and SARS ensuring that your tax affairs are compliant and that your rights as a taxpayer are protected.





2012 Tax Year

The 2012 tax year drew to a close on the 29th of February. All provisional taxpayers should have submitted their second 2012 provisional tax returns and payments if necessary.

You should start receiving your tax documentation such as IRP5's, interest certificates, retirement annuity certificates, medical tax certificates over the course of the next few months. To assist you in completing your [2012 travel logbook](#) we have included a template on our website.

The 2012 tax season is as yet not open for submission however we anticipate the SARS deadlines to be as follows for submissions via eFiling:

- If you are a non-provisional taxpayer who uses eFiling will have until 23 November 2012.
- [Provisional taxpayers](#) who file via eFiling have until 31 January 2013 to submit your return.

We will communicate the specific dates to you once these become available.

For those of you that are provisional taxpayers we have updated our website with the [2012 provisional taxpayer pack](#). 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.

2013 Tax Year

The 2013 tax year started on the 1st of March of this year. For those of you who are provisional taxpayers your first tax return needs to be submitted before 31 August 2012 and the second prior to 28 February 2013. Please feel free to make

use of our provisional pack for these purposes. As SARS has tightened up on the submission of logbooks we urge you to keep the information required. We have included a [2013 logbook](#) on our website to assist you in this process.

Fraudsters

We are all aware of the continuous scams people pretending to be from SARS, the most recent incident is that fraudsters pretend to be auditors from SARS, they contact the person to inform them that they are under investigation and therefore have to cooperate with the auditor.

They produce fake letters/faxes/emails notifying the business of the fact that an audit is going to be conducted.

There are many ways to identify if it is indeed a scam or invalid email/ letter:

- Do not open or respond to emails from unknown sources
Beware of emails that ask for personal, tax, banking and eFiling details (login credentials, passwords, pins, and banking detail etc.) SARS will never ask taxpayers for such information in an email.



- SARS will not request your banking details telephonically or electronically.
- Beware of fake SMS's

Should you be unsure as to the authenticity of a SARS request please contact their call centre 0800 00 72277





Transfer of properties from companies to individuals

SARS are currently providing relief which allows a natural person to transfer a property from a trust or company into their own personal name. This relief has been extended to included holiday homes and second homes and applies from 1 October 2010. The deadline for these transfers is 31 December 2012.

The benefits of doing this are material:

- If the property is sold and is in the

name of company and is a primary residence the company will not qualify for the primary residence exclusion of R2 000 000.

- The inclusion rate for Capital Gains for companies is 66% and for individuals 33%

It is unlikely that SARS will have another "tax holiday" in the future and as such we encourage you to consider the benefits of doing this.

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We're on the Web!

See us at:

www.taxsmart.co.za

Dividends Withholding Tax

With effect 1 April 2012 the regime which taxes dividends has changed from Secondary Tax on Companies (STC) to a Dividends Withholding Tax. This has been done to bring South Africa within acceptable best global tax practice.

The fundamental difference between the taxes is as follows:

- STC is tax which was levied on dividends at a company level.
- Dividends withholding tax is levied on the shareholder, however the company has an obligation to withhold the tax before paying out.
- There are certain exceptions, the

most notable being that the tax is not levied when one company declares a dividend to another company.

- STC was levied at a rate of 10% while dividends withholding tax is at 15%

Many of you may have received forms from your investment houses and banks requesting you to indicate whether you qualify for an exemption i.e. whether they should withhold tax on the dividend before paying it out to you. Should you be unsure as to how to complete the form please contact your consultant.

Additional Services

As you are aware Accumulo Consulting acquired TaxSmart sometime ago. Accumulo Consulting has a wide range of

specialist services. For a full range of these services please visit the website www.accumulo.co.za

In Closing

We would like to thank all our clients for their continued support and look forward to the second half of 2012. As always

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