



## CRS TIMES

### DOING AWAY WITH TAXING INVOICE ISSUES

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Normally a supplier of services issues a tax invoice relating to the supplies it makes. There are, however, circumstances where the recipient of the services, issues an invoice on behalf of the supplier, called self invoicing. A draft interpretation note has been published for public comment in terms of which these individuals no longer need to apply for consent from their local South African Revenue Office, to apply self invoicing. It is deemed that the ruling will only apply when the recipient of the goods or services is in control of determining the quantity or quality of the supply.



### CHANGE IN OFFICIAL RATE OF INTEREST



Just a reminder that the official rate of interest for calculating fringe benefits and low interest loans to Employees, as provided for in the 7th Schedule to the Income Tax Act of 1962, has been amended with effect from the **1st June 2009**.

The new rate is **9.5%**

### NEW SARS CODES

News is still awaited from SARS regarding the tax certificate reporting codes that are required for the current 2009 / 2010 tax year for the reporting of the 2% UIF contribution and the 1% Skills levy payment on tax certificates.



### CSV CHANGES FOR 2010



The 2009 Budget contained a number of proposals regarding the modernization of the PAYE Project. Herewith a summary of the proposals:

Employer reconciliations of Employees tax to be undertaken more frequently than once a year.

Extend the reconciliations to SDL and UIF contributions.

Reinstatement of Employers obligations to obtain and maintain certain Employee data & to report this data as required ( the old IRP2 )

Permitting SARS to provide Employees tax reference numbers & other non financial data to their Employers

To further simplify the income tax return process - the rounding off of Employees tax, provisional tax, foreign tax credits & tax calculated to the nearest rand. Details awaited from SARS.

### AGGRESSIVE TAX STRUCTURING

SARS has issued a warning that they will be on the lookout for companies and individuals using "aggressive tax structures" to avoid or evade taxes. It has been reported that SARS has already commenced recruiting an additional 1000 auditors to "arrest this emerging trend" These additional auditors will be used to reinforce SARS's capability to unravel new, complex and "adventurous" tax structures which are becoming pervasive worldwide.



### SA REVENUE SERVICES TAX AUDITS



Currently SARS audits continue to use the questionnaire approach, which covers all areas of potential exposure. Many Employers have been surprised as to how detailed these questions are with the latest tendency being to request internal records for a quick determination on exposure. Employers are encouraged to ensure that exposures in in-



tendency being to request internal records for a quick determination on exposure. Employers are encouraged to ensure that exposures in internal and external audit reports, or any other source, are properly addressed, including retrospectively.

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