

ENSafrica tax renewals

Below, please find issue 22 of ENSafrica's tax renewals, a snapshot of the latest tax developments in South Africa.

case law

- **Tax Court, Bloemfontein | 13868**
 - SARS brought an application in terms of Rule 56(1)(b) of the Tax Court Rules (the "**Rules**") for default judgment against the Appellant in terms of section 129(2) of the Tax Administration Act, 2011 following which the Appellant applied for condonation, postponement, and further relief.
 - the application of Rule 32 (statement of grounds of appeal) and Rule 36 (discovery of documents), considered.
 - the courts' approach to applications for postponement, considered.
 - find a copy of this judgment [here](#).

legislation and draft legislation

- **Customs and Excise Amendment Bill**
 - Bill B3-2019.
 - the Minister of Finance tabled the Customs and Excise Amendment Bill in the National Assembly on 5 February 2019.
 - find a copy of the Bill [here](#).
- **Regulation prescribing electronic services for purposes of the VAT Act**
 - this regulation amends the definition of "electronic services", for purposes of section 1 of the Value-Added Tax Act, 1991 to, most relevantly, "any service supplied by means of an electronic agent, electronic communication or the internet for any consideration".
 - the regulation, which was published on 18 March, 2019, is unchanged from its draft form, and will apply from 1 April 2019.
 - find a copy of the regulation [here](#).

advance tax rulings

- **binding general ruling (VAT) 49 | supply and importation of sanitary towels (pads)**

- section 11(1)(j) together with item 22 of Part B of Schedule 2 and section 13(3) read with paragraph 7(a) of Schedule 1 of the Value-Added Tax Act, 1991.
- this ruling sets out the general VAT treatment of the supply and importation of sanitary towels (pads) under item 22.
- find a copy of this ruling [here](#).
- updated register of all binding general rulings, organised according to tax types
 - find the updated register [here](#).

SARS publications

- updated table A (list of average exchange rates of selected currencies for a year of assessment as from December 2003)
 - find a copy of the updated table [here](#).
- updated table B (list of monthly average exchange rates to assist a person whose year of assessment is shorter or longer than 12 months)
 - find a copy of the updated table [here](#).
- **interpretation note 17 (issue 5) | Employees' Tax: independent contractors**
 - the Fourth Schedule to the Income Tax Act, 1962.
 - this note explains the statutory tests and the common law tests to assist SARS officials and employers to classify a worker efficiently and effectively. This note has been updated to incorporate the latest amendments made under section 5(1)(d) of the Tax Administration Laws Amendment Act, 2016, effective from 1 March 2017, to the exclusionary subparagraph (ii) of the definition of "remuneration" as defined in paragraph 1. This note therefore does not apply to non-executive directors.
 - find a copy of the updated interpretation note [here](#).

customs and excise

- due date for comments on the following draft schedules published for consideration and comment as a consequence of the rewrite of the Customs and Excise Act, 1964, which will be replaced with the new Excise Duty Act, 1964 and the Customs Control Act, 2014 has been extended to 29 March 2019:
 - [correlation table](#);
 - [the general notes to the customs tariff](#);
 - [schedule no. 2 to the customs tariff](#);
 - [schedule no. 3 to the customs tariff](#);
 - [schedule no. 4 to the customs tariff](#); and
 - [schedule no. 5 to the customs tariff](#).
- draft rule amendment | section 8 of the Customs and Excise Act, 1964
 - the purpose of the amendment to the rules under section 8 is to provide for the reporting of goods, transported by road, that are part shipped.
 - due date for comments is 29 March 2019.

- find a copy of the draft rule amendments [here](#).
- find a copy of the comment sheet [here](#).

international

- Morocco joins the Inclusive Framework on Base Erosion and Profit Shifting
 - find the list of members [here](#).
- the OECD publishes the public comments received on key issues identified in the public consultation document on the possible solutions to the tax challenges arising from the digitalisation of the economy
 - find a link to the comments [here](#).
- the EU adds jurisdictions to its tax haven blacklist
 - find a link to the article [here](#).

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