



Below, please find issue 162 of ENS' tax in brief, a snapshot of the latest tax developments in South Africa.

## case law

- *High Court | Commissioner for the South African Revenue Service v Muleya and Others (48495/2020) [2025] ZAGPPHC (29 October 2025)*
  - The Commissioner of the South African Revenue Service (“**the Commissioner**”) applied for the provisional sequestration of the taxpayer, after raising income tax assessments and customs liabilities of over R188 million. The taxpayer opposed the application on the basis that the Commissioner has no locus standi, arguing that SARS (an organ of state with legal personality separate to the Commissioner) was the proper creditor under section 177(3) of the Tax Administration Act 28 of 2011 (“**TAA**”).
  - The Court held that the taxpayer’s contention amounts to a misreading of section 6(2) of the TAA and that the Commissioner is required to exercise his powers and duties personally on behalf of SARS except where these have been delegated to another party.
  - Ultimately the Court granted the Commissioner’s provisional sequestration order on the basis that the taxpayer had committed an act of insolvency under section 8(c) of the Insolvency Act 24 of 1936 by donating his property to a family trust after SARS issued its final demand in respect of the income tax debt.
  - Find a copy of the judgment [here](#).
- *High Court | Ferreira v Commissioner for the South African Revenue Service (2024/067035) [2026] ZAGPPHC 47 (2 February 2026)*
  - This decision involves an application for review of a SARS’ refusal to reconsider a suspension of payment request in the amount R531,082,580.
  - The taxpayer originally tendered security that was deemed inadequate by SARS. Further security of R1.25 billion in shares was pledged and the suspension of payment was again refused on the same basis (“**Second Decision**”).
  - The main issue was whether the Second Decision was procedurally fair under the Promotion of Administrative Justice Act 3 of 2000 (“**PAJA**”).
  - The Court found that SARS had erred by ignoring relevant considerations including that the shareholding tendered as security far exceeded the tax debt, failing to inform the Independent Debt Committee of the taxpayer’s tender of additional security and failing to adhere to the audi alteram partem rule.

- The Court found in favour of the taxpayer and substituted the Second Decision to allow the suspension of payment request pending the outcome of the dispute.
- Find a copy of the judgment [here](#).

## SARS publication

- Final demand issued for annual income tax returns for trusts
  - SARS has issued final demands to trusts that did not submit an annual tax return for the 2024 and 2025 years of assessment.
  - In terms of section 210(2) of the Tax Administration Act, SARS will shortly issue the related public notice for the imposition of administrative non-compliance penalties for trusts.
  - SARS reiterates that all trusts, whether economically active or passive, are required to submit annual income tax returns in accordance with the requirements set out in the public notice.
  - Find the full statement [here](#).
- The latest SMME Connect Newsletter is now available
  - This issue reminds Small, Medium, and Micro Enterprises ("**SMMEs**") to submit outstanding returns, pay any tax due, and use available incentives. Qualifying businesses are also encouraged to register for Turnover tax.
  - Find the newsletter [here](#).
- BRS – PAYE employer reconciliation for 2026/2027
  - Find the BRS – PAYE employer reconciliation for 2026 / 2027 [here](#).
- BRS – Automatic exchange of information
  - Find the BRS – Automatic exchange of information attached.
- Global Minimum Tax
  - The Business Requirements Specification ("**BRS**") for the Global Anti-Base Erosion ("**GLOBE**") programme has now been published on the SARS [GLOBE](#) webpage.
- Adjustment to diesel refund for onland users in farming, forestry, and mining sectors
  - Effective from 1 April 2026, primary sector claimants operating onland will be entitled to claim a refund on 100% of eligible diesel used in qualifying farming, forestry, and mining activities. This amendment streamlines the administration of the Diesel Refund Scheme. To ease the transition, the new rate, which is effectively applied from the April 2026 return, will reflect only from the calendar month when this VAT return must be submitted, i.e. May 2026.
  - Find the letter to stakeholders [here](#).
- Mandatory Income Tax Reference Numbers for the 2026 employer filing season
  - From the 2026 employer filing season, SARS is enforcing the rule that PAYE reconciliations cannot be submitted unless each employee has a valid Income
  - Tax Reference Number. Employers and payroll teams should ensure tax numbers are captured and correct to avoid rejected reconciliations and possible penalties.
  - Find more information [here](#).

## tax rulings

- Binding Private Ruling 424 | Interest incurred on loan funding used to redeem preference shares and settle dividends
  - This ruling considers the deductibility of interest incurred in respect of loan funding used to redeem preference shares and settle any current or accumulated preference share dividends.
  - The ruling concerns the interpretation and application of section 24J of the Income Tax Act 58 of 1962 and is valid for a period of 10 years from 12 December 2025.
  - Find a copy of the ruling [here](#).

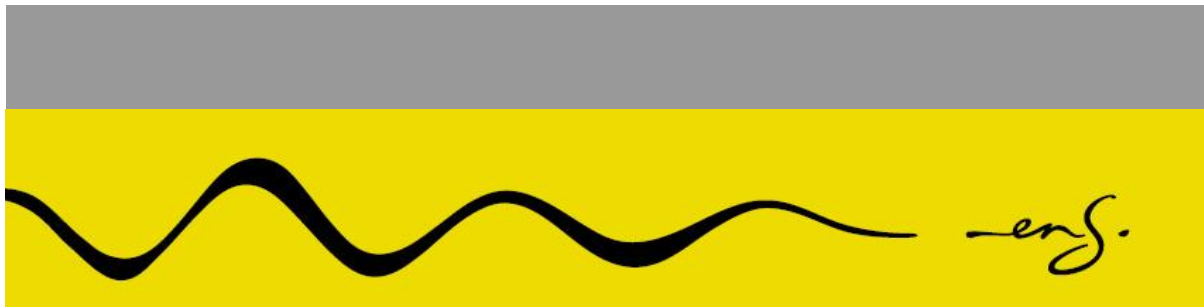
## customs and excise

- Customs and Excise Act, 1964 (“**Customs and Excise Act**”) | Amendment to section 17 and 120 rules
  - The rules under sections 17 and 120 in respect of state warehouse rent have been amended.
  - Find a copy of the notice [here](#).
- Customs and Excise Act | Draft amendments for public comment
  - Draft amendments have been proposed to the rules under sections 47B and 120 applicable to air passenger tax and related administrative requirements.
  - Due date for comments: 6 March 2026
  - Find the proposed amendments and comment sheet [here](#).
- Tariff amendments
  - Part 1 of Schedule No. 1, by the substitution of tariff subheadings 1701.12, 1701.13, 1701.14, 1701.91, and 1701.99, to increase the rate of customs duty on sugar from 436.38c/kg to 483.72c/kg in terms of the existing variable tariff formula (ITAC Minute 10/2025); and
  - Part 1 of Schedule No. 1, by the substitution of tariff subheadings 1001.91 and 1001.99 as well as 1101.00.10, 1101.00.20, 1101.00.30 and 1101.00.90, to reduce the rate of customs duty on wheat and wheaten flour from 85.15c/kg and 127.72c/kg, respectively to 61.90c/kg and 92.85c/kg, in terms of the existing variable tariff formula (ITAC Minute M09/2025).
  - Find a copy of the notice [here](#).
- Excise fuel registrations
  - From 3 February 2026, the DA185 form must be completed and submitted to apply for, or renew, permission:
    - to possess, control, or use goods consisting of a mixture which includes marked goods as provided for in section 37A(9) and rule 37A.12.
    - supply of aviation kerosene or aviation spirit (rebate items 460.05 / 496.00 or 623.11 / 671.01) as provided for in section 37A(9) and rule 37A.13.
    - to produce goods not capable for use in any engine as provided for in section 37A(4) and rule 37A.11.
    - Find the D185 form attached.
- Excise payment and submission dates for 2026/2027

- For the first quarter (1 January 2026 to 31 March 2026) the submission and payment dates are on or before 24 April 2026.
- Find more information on the published dates [here](#).

## international

- IMF Article IV Consultation Country Report: South Africa
  - Find the full publication by the IMF executive board [here](#).



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