

# ENSafrica tax in brief

Below, please find issue 77 of ENSafrica's tax in brief, a snapshot of the latest tax developments in South Africa.

## legislation and draft legislation

- **The following Amendment Acts were promulgated on 19 January 2022:**
  - Act No 19 of 2021 – Rates and Monetary Amounts and Amendment of Revenue Laws Act, 2021
    - Find a copy [here](#).
  - Act No 20 of 2021 – Taxation Laws Amendment Act, 2021
    - Find a copy [here](#).
  - Act No 21 of 2021 – Tax Administration Laws Amendment Act, 2021
    - Find a copy [here](#).
- **SARS has published the following:**
  - Explanatory Memorandum on the Taxation Laws Amendment Bill, 2021
    - Find a copy [here](#).
  - Memorandum on the Objects of the Tax Administration Laws Amendment Bill, 2021
    - Find a copy [here](#).
  - **Final Response Document on the 2021 Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill, 2021 Draft Taxation Laws Amendment Bill, 2021 Draft Tax Administration Laws Amendment Bill**
    - Find a copy [here](#).
- **International Treaties and Agreements | Double Taxation Agreements (“DTAs”) and Protocols**
  - SARS has updated its status overview of all DTAs and Protocols.
  - Please find a copy [here](#).
  - Publication details will be made available later.
- **Tables of Interest Rates**
  - SARS has updated Table 3 – Rates at which interest-free or low interest loans are subject to income tax
  - Please find a copy [here](#).

## tax rulings

- **Binding General Ruling (VAT) 59 | Value-Added Tax Act, 1991 | Calculation of VAT for table games of chance**
  - This ruling provides direction relating to the manner in which casinos must account for VAT in respect of table games of chance.
  - Find the ruling [here](#).
- **Binding Class Ruling (Income Tax) 078 | Income Tax Act, 1962 | Employee share incentive scheme – shares in a foreign company**
  - This ruling determines the income tax consequences of an employee share incentive scheme that holds shares in a foreign company.
  - Find the ruling [here](#).

## SARS publications

- **Revised tables of interest rates have been published**
  - Find a copy of the table of interest rates on outstanding taxes and interest rates payable on certain refunds of tax [here](#).
  - Find a copy of the table of interest rates on credit amounts [here](#).
- **Tax deductions (PAYE) on Pensions or Annuities**
  - Legislation has recently been introduced which will make provision for SARS to determine a more accurate PAYE deduction amount to assist pensioners with more than one source of income.
  - The intention is for the effective date to be 1 March 2022.
  - Find more information [here](#).
- **Latest SMME Connect newsletter now available**
  - The latest SMME Connect newsletter issue one deals with a few topics including a smarter SARS to make compliance easier, beginning with the essentials and SARS' continued commitment to increase clarity and certainty.
  - Find a copy [here](#).
- **Scam: letter of demand SMS**
  - SARS has warned against a scam attempt whereby the scammers send an SMS stating that SARS has issued a letter of demand and to please view it on an accompanying link.
  - Find more information [here](#).
- **Media release | National Treasury and SARS publish the 2021 Tax Statistics**
  - The 2021 edition provides an overview of tax revenue collections and tax return information for the 2017 to 2021 tax years, as well as the 2016/17 to 2020/21 fiscal years.
  - See the full media statement [here](#).
- **Media release | SARS commits to increased use of data for trade efficiency**
  - The Commissioner of the South African Revenue Service, Mr Edward Kieswetter, has committed the SARS Customs division to scale up digital transformation and to increase the use of data to improve the facilitation of trade, revenue collection and improve compliance by traders who import and export goods across South Africa's borders.

- See the full media statement [here](#).

## customs and excise

- **Customs and Excise Act, 1964 | Secondary Legislation | Tariff Amendments 2022**
  - The tariff amendment notices scheduled for publication relate to the amendments to:
    - Part 2 of Schedule No. 4, by the substitution of rebate item 460.03/0207.14.9/01.07 in order to increase the annual quota for frozen bone-in cuts of the species Gallus Domesticus originating in or imported from the United States of America from 69 972 tonnes to 71 290 tonnes – ITAC Minute M04/2021 (with retrospective effect from 1 April 2021);
    - Schedule No. 1, to implement the revised Tariff Rate Quota in terms of the Economic Partnership Agreement (SADC-EU EPA) (with retrospective effect from 1 September 2021 up to and including 31 December 2021);
    - Schedule No. 1, to implement the revised Tariff Rate Quota in terms of the Economic Partnership Agreement (SADC-EU EPA) (with retrospective effect from 1 January 2022);
    - Schedule No. 1, to implement the revised Tariff Rate Quota in terms of the Economic Partnership Agreement (SACUM-UK EPA) (with retrospective effect from 1 September 2021 up to and including 31 December 2021); and
    - Schedule No. 1, to implement the revised Tariff Rate Quota in terms of the Economic Partnership Agreement (SACUM-UK EPA) (with retrospective effect from 1 January 2022).
    - Find a copy of the tariff amendment notices [here](#).
- **Customs | Submission of Advance Import Payments**
  - SARS' published Advance Import Payment guide has been changed to align with the wording of Rule 120.13.05.
    - Find the guide [here](#).
  - The policy has been revised to remove the reporting requirements between the South African Reserve Bank and SARS as this requirement will be implemented with the next phase.
    - Find the policy document [here](#).
- **Customs | Prohibited and Restricted Goods List**
  - Three assignees were removed from the Prohibited and Restricted list as instructed by the Department of Agriculture, Land Reform and Rural Development.
  - These are:
    - Nejahmogul Technologies and Agric Services (Pty) Ltd;
    - Product Control for Agriculture (PROKON); and
    - Impumelelo Agribusiness Solutions Holdings (Pty) Ltd).
- **Customs | Registration, Licensing and Designation Policy**
  - SARS has updated its Registration, Licensing and Designation Policy.

- Find the updated policy [here](#).

## exchange control

- **Exchange Control Circular No. 1-2022 | Ezaga Remit (Pty) Limited**
  - Ezaga Remit (Pty) Limited has been appointed as an Authorised Dealer in foreign exchange with limited authority
  - Find a copy of the circular [here](#).
- **Exchange Control Circular No. 2-2022 | Offshoring and cloud computing**
  - Amendments have been made to Currency and Exchanges Manual for Authorised Dealers (AD Manual) and Currency and Exchanges Manual for Authorised Dealers in foreign exchange with limited authority (ADLA Manual)
  - The amendments have been effected to:
    - Section J.(D)(i) of the AD Manual and section C.1(D)(i) of the ADLA Manual
    - Sections J.(D)(ii) to (viii) of the AD Manual and sections C.1(D)(ii) to (vii) of the ADLA Manual
  - Find a copy of the circular [here](#).
- **Exchange Control Circular No. 3-2022 | Authorised Dealer branches appointed as Authorised Banks**
  - Amendments have been made to Currency and Exchanges Manual for Authorised Dealers (AD Manual) as follows:
    - The name 'Global Markets – Port Elizabeth' has been deleted from section G.(A)(iii)(k) of the AD Manual under the heading of The Standard Bank of South Africa Limited; and
    - The names of certain branches under the heading of The Standard Bank of South Africa Limited have been amended.
  - Find a copy of the circular [here](#).

## international

- **OECD releases latest edition of the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations**
  - On 19 January, the OECD release the 2022 edition of the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.
  - Find more information [here](#).
- **Countries continue the successful implementation of international standards on harmful tax practices and tax dispute resolution**
  - Progress continues in combatting harmful tax practices and providing greater tax certainty. New outcomes on the review of preferential tax regimes and new peer review reports on Mutual Agreement Procedures have been approved by the OECD/G20 Inclusive Framework on BEPS.
  - Find more information [here](#).
- **OECD Tax and Development Days 2022**

- This event will provide an update on OECD's practical initiatives to strengthen tax capacity and improve tax policy and compliance in developing countries. It will take place virtually on 16-17 February 2022.
- Find the link to the event [here](#).

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