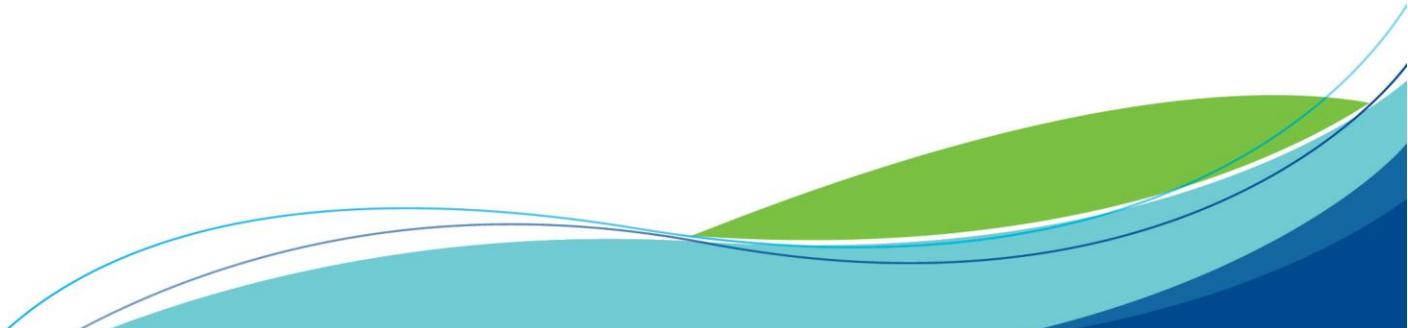




**TECHNICAL GUIDANCE ON THE COVID-19 TAX RELIEF MEASURES  
AND OTHER PRACTICAL MATTERS**

**20 APRIL 2020**



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*Disclaimer:*

*Please note that every effort has been made to ensure that the advice given in this document is correct. Nevertheless, that advice is given purely as guidance to only members of SAICA to assist them with particular problems relating to the subject matter of this document and SAICA will accept no responsibility for any claim of any nature whatsoever that may arise out of, or relate to, the contents of this document. SAICA members remain responsible to seek further professional advice where more clarification is required.*

## 1. Introduction

On 15 March 2020 the President declared the Covid-19 pandemic a National Disaster and announced several extraordinary measures to combat this grave public health emergency. The National Disaster has been declared in terms of the National Disaster Act, 2002 (Act 57 of 2002) ("the Act"). On the 23rd March 2020, the President announced the national lockdown from 26 March till 16 April in order to curb the spread of the Covid-19. This lockdown was subsequently extended to 30 April 2020.

As a result of the National Disaster and the lockdown, the Minister of Finance announced various tax adjustments in the light of the negative impacts on the economy from the spreading of the COVID-19 virus. The adjustments were mainly dealt with in the following two Bills and accompanied by an Explanatory Memorandum:

- [Draft Disaster Management Tax Relief Bill - 1 April 2020](#)
- [Draft Disaster Management Tax Relief Administration Bill - 1 April 2020](#)
- [Draft Explanatory Memorandum on the Draft Disaster Management Tax Relief Bill - 1 April 2020](#)

SAICA has made various submissions before and after the lockdown period. We have also been able to analyze some of the operational and legal challenges members will face with both the proposed legislation and incentives but also as a direct result of the impact of COVID 19 consequence on their businesses.

The purpose of this document is to clarify legislation and practice where we can but also identify concerns and challenges with current or proposed legislation and practice.

The documents referred to in this guidance as well as many others, including on various other subject matter such as Assurance and Corporate Reporting can be found on the SAICA [COVID-19 webpage](#).

## 2. Accessing SARS and SARS services during lockdown

SAICA has confirmed with SARS that, excluding certain minor concessions, SARS will continue to expect taxpayers to comply with their tax compliance and payment obligations. In this regard, to date, **payroll services** were added as an '[essential service](#)'.

SARS has noted that not all branches will be open and that certain services, such as rulings, will not be available. However, new SARS online services have also been launched.

### 2.1 Procedure for making SARS Branch appointments

SARS has encouraged tax practitioners and taxpayers to use the electronic channels as far as possible and has introduced additional channels as well as additional resources to manage various email addresses to deal with queries.

In the situation where there is an urgent matter that needs to be resolved, or one has not received adequate assistance via the electronic channels (after allowing for the

standard turnaround times), one may [request an appointment](#) via the SARS website. The following important points must be borne in mind with respect to such appointments:

- The appointment option during lockdown, is available to taxpayers and tax practitioners;
- SARS will consider requests for appointments on a case-by-case basis and will only approve appointments required during lockdown in critical situations or what SARS refers to as 'exceptional cases';
- Once granted an appointment, ensure that you have a print-out of the letter or message from SARS, together with proof of identity with you when travelling to SARS. Should you be stopped at a roadblock, you will need to provide this as proof as a valid reason for not adhering to the lockdown provisions;
- Appointments that cannot be honoured should be cancelled at least one to three days (preferred) prior to the appointment;
- You may not exceed the agreed duration of the appointment;
- After you have added your client's details (in the online form), please click on "ADD CLIENT" to add them to the appointment request; and
- As far as we are aware, SARS branches are not open during the lockdown and therefore it will not be possible to access walk-in services during this time.

## 2.2 New SARS online services launched

SARS has created various channels to facilitate the provision of services without the need for tax practitioners and taxpayers to visit a SARS branch. These include [services available via eFiling](#) and [services available via email](#). Some of the more notable online services that have been launched include:

- Registration for personal income tax. For tax practitioners:
  - Click on register and then enter the ID number and other details of the client.
  - After registration, you may request the tax number on eFiling and add the client to your Tax Practitioner profile
- [Online VAT registration](#), including obtaining a new VAT number online
- Taxpayers not registered on eFiling may [submit documents via the SARS website](#)
- [Taxpayers may make appointments](#) to visit a SARS branch for critical matters. Previously, only tax practitioners were able to make appointments

## 2.3 Other matters to consider

We understand that tax practitioners providing what is referred to as 'tax emigration' services are often not registered as the taxpayer client's practitioner on that taxpayer's eFiling profile. Prior to lockdown, these tax practitioners applied for [Foreign Investment Allowance certificates](#) manually due to not having access to this on eFiling. We have engaged with SARS regarding the creation of an electronic channel for submission of these applications. In the interim, affected tax practitioners should try to book an appointment with SARS to perform this function.

Tax practitioners are unable to [apply for directives](#) on behalf of taxpayer clients or the tax practitioner's own staff. SARS are working on amending the system to allow tax practitioners to make such applications. In the interim, the tax practitioner may change his/her profile from a tax practitioner profile to an organization profile for the duration of applying for the directives. The profile must be reverted back to a tax practitioner profile once the directive process has been completed.

### 3. General rule - No relief provided

#### 3.1 Deferral of submission of returns and payments

No relief has been provided for the deferral of the submission of returns and payments (**other than those mentioned below**) for any taxpayers. This is particularly pertinent in respect of VAT, meaning that all VAT returns and payments must be made on time to prevent interest and penalties from being incurred.

#### 3.2 Penalties and interest (other than mentioned above)

##### What if I submit my returns late or pay my taxes late?

Any late submission of returns or late payment of taxes will attract the normal interest and penalties (generally a 10% late payment penalty, and in respect of provisional tax, an underestimation penalty of 20% might also be applicable).

##### What if the employer can't pay the full amount of VAT due?

In terms of section 38 of the VAT Act, where the VAT payment cannot be accurately calculated due to circumstances beyond the control of the person, vendors may make a deposit that will be regarded as a provisional payment for the VAT liability. However, this section indicates that the vendor must make an application to the Commissioner in this regard, since the Commissioner must be satisfied that the VAT payment cannot be accurately calculated due to circumstances beyond the control of the person. The Commissioner further has a discretion to agree to accept a deposit payment, and the Commissioner may impose conditions under which such a deposit payment may be accepted.

SAICA is engaging with SARS regarding the process to be followed in this regard, that is, whether an application form to get this approval need to be completed, and if not, how and to whom in SARS do vendors apply for this approval. SAICA has also requested clarity on whether a 'provisional' return needs to be submitted on e-filing, and how a vendor goes about doing the adjustment to the return/payment once the final liability has been established, so as to avoid interest and penalties being raised by the SARS system. SAICA will provide members with SARS' feedback as soon as it has been received.

##### Can the penalties be remitted?

Section 218 of the TAA provides that penalties may be remitted in exceptional circumstances, if the taxpayer was incapable of complying with the relevant obligation under the relevant tax Act. The **exceptional circumstances** referred to in this section include:

- *natural or human-made disasters;*
- *civil disturbances or disruption in services;*
- *serious illness or accident;*
- *serious emotional or mental distress;*
- any of the following acts by SARS:
  - capturing error
  - processing delay
  - provision of incorrect information in an official publication or media release issued by the Commissioner

- delay in providing information to any person; or
- failure by SARS to provide sufficient time for an adequate response to a request for information from SARS;
- serious financial hardship, such as
  - in the case of an individual, lack of basic living requirements; or
  - in the case of a business, an immediate danger that the continuity of business operations and the continued employment of its employees are jeopardized
- any other circumstances of analogous seriousness.

Despite SAICA's request, SARS has, to date, not made a public statement to allay taxpayer concerns that this is an "exceptional circumstance" and 'natural' disaster (as announced by the President) for the purposes of section 187(7) and 218 TAA which will allow for concessions in appropriate circumstances and what SARS will be expecting of taxpayers to prove causality.

Interestingly, [BGR 52](#) states the effects of the COVID-19 pandemic is considered to be a situation considered beyond the control of the vendor. Until clarity is provided from an TAA perspective, [Webber Wentzel](#) has issued useful guidance to taxpayers and state that it would be useful for businesses to maintain records over the coming months of the following:

- the type of business interruptions experienced. This could be in the form of number of cancellations of existing clients, bad debts, number of debit orders bouncing and amounts, late payments from customers, agreements being renegotiated, and discounts given. Businesses should also document steps taken to mitigate the above;
- monthly cash balances and forecasts of turnover, cash flow and debtors on various dates. This is to demonstrate an ongoing assessment of the financial health of the business, and corresponding decisions taken;
- detailed payroll calculations and PAYE statements of accounts at various dates. The PAYE statement of account currently levies a 10% late payment penalty if payment reflects after the 7th of every month. It is still unknown how the 20% deferral and ETI payments will be administered on the PAYE statement of account. If the PAYE statement of account in the interim period does not reflect balances accurately, employers should undertake their own detailed payroll calculations and make payments accordingly;
- VAT calculations and financial impact of the disaster on turnover and collections over the next few months.

### 3.3 Carbon Tax

No carbon tax relief (payable in July 2020) has been provided either despite the Regulations not being issued and delays in the registration procedures, which did exist before the lockdown, but which are now aggravated by this.

## 4. SAICA Submissions

SAICA made a submission to SARS on 17 March 2020, requesting the Commissioner of SARS to consider various aspects regarding tax compliance due to COVID-19.

- [SARS measures in response to COVID-19 outbreak](#)

In addition to this SAICA, with other RCBs and members of the business community, provided input to a detailed submission by BUSA to SARS and National Treasury dealing with the possible tax interventions to mitigate the economic effects of the COVID-19 pandemic on taxpayers. These interventions included those that could be implemented immediately as well as those that would require legislative intervention. Extension of deadlines for filing of tax returns, payment of taxes and timelines for compliance with certain requests from SARS were included in the submission. Various other corporate tax, indirect taxes, personal income tax and payroll tax interventions were also contained in this submission.

SAICA also made submissions on the draft Disaster Management Tax Bills and these concerns should be taken into account when reading the relief measures discussed below:

- [SAICA Comments on the Draft 2020 Disaster Management Tax Relief Administration Bill \(15 April 2020\)](#)
- [SAICA Comments on the Draft 2020 Disaster Management Tax Relief Bill \(15 April 2020\)](#)

## 5. Tax Relief contained in the Disaster Management Tax Bills

Three types of relief have been provided for. The first type is in the form of cash flow relief, the second is a deferral of the amount that has to be paid by SARS and the third is relief in respect of time periods within which certain actions/functions need to be complied with.

### 5.1 Cash flow relief

#### 5.1.1 Employment Tax Incentive (ETI)

Three changes are provided for:

- 1) the definition of 'qualifying employee' is expanded;
- 2) the ETI incentive amount is increased; and
- 3) provision is made to ensure that the unused ETI is refunded monthly

These changes will, however, only apply to **employers** that were **registered with SARS as at 1 March 2020**. Further to the above, the current compliance requirements for employers under sections 8 and 10(4) of the ETI Act will continue to apply. Each of the above three changes will be discussed next.

- 1) Definition of 'qualifying employee'

Section 6 of the ETI Act is amended as reads as follows after the amendment (underlined parts are the changes to the original legislation):

An employee is a qualifying employee if the employee—

- (a)
- (i) *(aa) is not less than 18 years old and not more than 29 years old at the end of any month in respect of which the employment tax incentive is claimed;*
- (bb) is not less than 30 years old and not more than 65 years old at the end of any month in respect of which the employment tax incentive is claimed;*
- (ii) *is employed by an employer that is a qualifying company as contemplated in section 12R of the Income Tax Act, and that employee renders services to that employer mainly within the special economic zone in which the qualifying company that is the employer carries on trade; or*
- (iii) *is employed by an employer in an industry designated by the Minister of Finance, after consultation with the Minister of Labour and the Minister of Trade and Industry, by notice in the Gazette;*
- (b)
- (i) *is in possession of an identity card referred to in section 14 of the Identification Act, 1997 (Act No. 68 of 1997), issued to that employee after application for the card in terms of section 15 of that Act;*
- (ii) *is in possession of an asylum seeker permit, issued to that employee in terms of section 22(1) of the Refugees Act, 1998 (Act No. 130 of 1998), after application for the permit in terms of section 21(1) of that Act; or*
- (iii) *is in possession of an identity document issued in terms of section 30 of the Refugees Act, 1998 (Act No. 130 of 1998);*
- (c) *in relation to the employer, is not a connected person as defined in section 1 of the Income Tax Act;*
- (d) *is not a domestic worker as defined in section 1 of the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);*
- (e) *was employed by the employer or an associated person on or after 1 October 2013 in respect of employment commencing on or after that date;*
- (f) *is not an employee in respect of whom an employer is ineligible to receive the incentive by virtue of section 4; and*
- (g) *receives remuneration in an amount less than R6 500 in respect of a month.*

So, to be a 'qualifying employee', there are essentially four requirements:

- (1) Age (or employed by a specific employer);
- (2) person has an identity card or permit
- (3) **was employed by the employer on or after 1 October 2013;** and
- (4) earns less than R6 500.

The person can't be a domestic worker, or a connected person in relation to the employer and the employer must comply with wage regulating measures.

So, a 'qualifying employee' is essentially someone (identified) who was employed by the employer or an associated person **on or after 1 October 2013** in respect of

employment commencing on or after 1 October 2013; not less than 18 years old and not more than 65 years old; and who receives remuneration of less than R6 500.

As the extra incentive only applies to those employees' employed after 1 October 2013, employees employed before that date, and it matters not if they are under 29 or over 30 (but below 65), will not be qualifying employees. The employer will, under section 7(3A), essentially get the incentive for those appointed after 1 October 2013 and having been employed for more than 24 months.

A concern was raised with National Treasury that 'not more than 29 years old' and 'less than 30 years old' results in certain persons being excluded (those 29 years old, but not yet 30), but it appears that the intention is to effectively include all between 18 and 65.

## 2) Amount of the incentive

The ETI incentive amount has been increased as follows:

- A. Increasing the maximum amount of ETI claimable during the four-month period (1 Apr 2020 – 31 July 2020) for employees eligible under the current ETI Act from R1 000 to R1 500 in the first qualifying twelve months and from R500 to R1 000 in the second twelve qualifying months.
- B. Allowing a monthly ETI claim in the amount of R500 during this four-month period for employees from the ages of:
  - o 18 to 29 who are no longer eligible for the ETI as the employer has claimed ETI in respect of those employees for 24 months; and
  - o 30 to 65 who are not eligible for the ETI due to their age.

This can be summarized as follows:

- An increase of R500 is the maximum incentive available in respect of qualifying employees (18 – 29 years).
  - o This increases the maximum incentive from R1 000 to R1 500 for the first 12 months of employment and from R500 to R1 000 for the second 12 months.
- The expansion also covers qualifying young employees (18 -29 years) **after their first 24 months of employment**, as well as qualifying employees from 30 to 65.
  - o In these cases, the maximum incentive is R500.

For further details on how to calculate and the ETI incentive (such as the adjustments to formula etc.) please refer to the Bill.

Examples to illustrate the above, as contained in the Explanatory Memorandum, are set out below:

### **Example 1**

Employer A has 10 workers earning R4 500 per month each. The employer can retain up to an additional R5 000 from the employer's PAYE liability each month between April and July.

## Example 2

Employer B has 3 workers. The employer claims the ETI for Employee A, the employer exhausted ETI claims for 27-year-old Employee B two years ago, and Employee C is 34 years old and has never been a qualifying employee. The employees each earn R4 500 per month. Employer B will be able to retain R2 500 per month. Since these are the only 3 workers, the amount will likely be claimed as a reimbursement from SARS.

	Remuneration	ETI	EXPANDED ETI	Total
Employee A	4500	1000	500	<b>1500</b>
Employee B	4500	0	500	<b>500</b>
Employee C	4500	0	500	<b>500</b>
<b>Total</b>	<b>13500</b>			<b>2500</b>

SARS' Frequently Asked Questions document (updated 20 April 2020) also contains the following example of how the current rules differ to the new expanded ETI relief:

## Example 3

A: The table below provides an overview of the new proposed rules: (1) first 12 months, second 12 months; and two new categories which are only applicable for the months of April, May, June and July 2020.

Section 7 (2) – current rules for <u>first 12 months</u>	Changes for the months of April, May, June & July 2020	
<p>(2) During each month of the first 12 months in respect of which an employer employs a qualifying employee, the amount of the employment tax incentive in respect of that qualifying employee, if the monthly remuneration of the employee is—</p> <p>a) less than R2 000, <u>is an amount equal to 50 per cent of the monthly remuneration of the employee;</u></p> <p>b) R2 000 or more but less than R4 500, <u>is an amount of R1 000;</u></p> <p>c) R4 500 or more but less than R6 500, is an amount determined in accordance with the following formula:  <math>X = A (B \times (C D))</math>            in which formula—</p> <p>i. "X" represents the amount of the monthly employment tax incentive that must be determined;</p> <p>ii. "A" represents the amount of <u>R1 000;</u></p> <p>iii. "B" represents the number 0,5;</p> <p>iv. "C" represents the amount of the monthly remuneration of the employee; and</p> <p>v. "D" represents the amount of R4 500; or</p> <p>d) R6 500 or more, is an amount of nil.</p>	<p>(2) During each month of the first 12 months in respect of which an employer employs a qualifying employee, the amount of the employment tax incentive in respect of that qualifying employee, if the monthly remuneration of the employee is—</p> <p>a) less than R2 000, <u>is an amount equal sum of the amount of R500 and an amount equal to 50 per cent of the monthly remuneration of the employee;</u></p> <p>b) R2 000 or more but less than R4 500, <u>is an amount of R1 500;</u></p> <p>c) R4 500 or more but less than R6 500, is an amount determined in accordance with the following formula:  <math>X = A (B \times (C D))</math>            in which formula—</p> <p>i. "X" represents the amount of the monthly employment tax incentive that must be determined;</p> <p>ii. "A" represents the amount of <u>R1 500;</u></p> <p>iii. "B" represents the number 0,75;</p> <p>iv. "C" represents the amount of the monthly remuneration of the employee; and</p> <p>v. "D" represents the amount of R4 500; or</p> <p>d) R6 500 or more, is an amount of nil.</p>	<p>Summary: For months of April May, June &amp; July 2020, an employer may claim –</p> <p><u>1<sup>st</sup> 12 months where monthly remuneration is</u></p> <ul style="list-style-type: none"> <li>• Less than R2 000 = R500 + 50% of month remuneration</li> <li>• R2 000 to R3 999 = R 1500</li> <li>• R4 500 to R6 499 = formula</li> </ul>

<u>Section 7 (3) – current rules for 2<sup>nd</sup> 12 months</u>	Changes for the months of April, May, June & July 2020	
<p>(3) During each of the 12 months after the first 12 months that the same employer employs the qualifying employee, the amount of the employment tax incentive in respect of that qualifying employee, if the monthly remuneration of the employee is—</p> <p>a) less than R2 000, is an amount equal to 25 per cent of the monthly remuneration of the employee;</p> <p>b) R2 000 or more but less than R4 500, is an amount of R500;</p> <p>c) R4 500 or more but less than R6 500, is an amount determined in accordance with the following formula: <math>X = A (B \times (C D))</math> in which formula—</p> <ol style="list-style-type: none"> <li>i. "X" represents the amount of the monthly employment tax incentive that must be determined;</li> <li>ii. "A" represents the amount of R500;</li> <li>iii. "B" represents the number 0,25;</li> <li>iv. "C" represents the amount of the monthly remuneration of the employee; and</li> <li>v. "D" represents the amount of R4 500; or</li> </ol> <p>d) R6 500 or more, is an amount of nil.</p>	<p>3) During each of the 12 months after the first 12 months that the same employer employs the qualifying employee, the amount of the employment tax incentive in respect of that qualifying employee, if the monthly remuneration of the employee is—</p> <p>a) less than R2 000, is an amount equal to the sum of R500 and an amount equal to 25 per cent of the monthly remuneration of the employee;</p> <p>b) R2 000 or more but less than R4 500, is an amount of R1 000;</p> <p>c) R4 500 or more but less than R6 500, is an amount determined in accordance with the following formula: <math>X = A (B \times (C D))</math> in which formula—</p> <ol style="list-style-type: none"> <li>i. "X" represents the amount of the monthly employment tax incentive that must be determined;</li> <li>ii. "A" represents the amount of R1 000;</li> <li>iii. "B" represents the number 0,5;</li> <li>iv. "C" represents the amount of the monthly remuneration of the employee; and</li> <li>v. "D" represents the amount of R4 500; or</li> </ol> <p>d) R6 500 or more, is an amount of nil.</p>	<p>Summary: For months of April May, June &amp; July 2020, an employer may claim –</p> <p><u>2<sup>nd</sup> 12 months where monthly remuneration is</u></p> <ul style="list-style-type: none"> <li>• Less than R2 000 = R500 + 25% of month remuneration</li> <li>• R2 000 to R3 999 = R 1000</li> <li>• R4 500 to R6 499 = formula</li> </ul>

New insertion - section 7(3A) For the months of April, May, June & July 2020	New insertion - section 6(a)(i) For the months of April, May, June & July 2020	
<p>“(3A) During each month—</p> <p>a) after the first 24 months that the same employer employs a qualifying employee contemplated in section 6(a)(i)(aa)<sup>NEW</sup> or 6(a)(ii) or (iii); or</p> <p>b) that the employer employs a qualifying employee contemplated in section 6(a)(i)(bb)<sup>NEW</sup>,</p> <p>the amount of the employment tax incentive in respect of that qualifying employee, if the monthly remuneration of the employee is—</p>	<p>(aa) is not less than 18 years old and not more than 29 years old at the end of any month in respect of which the employment tax incentive is claimed; or</p> <p>(bb) is not less than 30 years old and not more than 65 years old at the end of any month in respect of which the employment tax incentive is claimed;”.</p>	<p>Summary: For months of April May, June &amp; July 2020—</p> <p>For employees 18 to 29 years that have exhausted the 24 month period &amp; meet all other criteria, an employer may claim –</p>
<p>i. less than R4 500, <u>an amount of R 500</u>;</p> <p>ii. R4 500 or more but less than R6 500, an amount determined in accordance with the formula: <math>X = A - (B \times (C - D))</math> in which formula—</p> <p>(aa) ‘X’ represents the amount of the monthly employment tax incentive that must be determined;</p> <p>(bb) ‘A’ represents the amount of R500;</p> <p>(cc) ‘B’ represents the number 0,25;</p> <p>(dd) ‘C’ represents the amount of the monthly remuneration of the employee; and</p> <p>(ee) ‘D’ represents the amount of R4 500; or</p> <p>R6 500 or more, an amount of nil.</p>		<ul style="list-style-type: none"> <li>• Where remuneration is less than R4 499 = R500</li> <li>• R4 500 to R6 499 = formula</li> </ul> <p>For employees 30 to 65 &amp; meet all other criteria of an qualifying employee, an employer may claim –</p> <ul style="list-style-type: none"> <li>• Where remuneration is less than R4 499 = R500</li> <li>• R4 500 to R6 499 = formula</li> </ul>

### 3) Monthly refund of unused ETI

Any unused ETI amounts will be refunded monthly (instead of the usual twice a year) for employees’ tax returns due on 7 May 2020 through to 7 August 2020.

#### 5.1.2 UIF

The cash relief provided for in respect of UIF was not contained in the Tax Bills, so please refer to point 4 below for more details of this benefit.

## 5.2 Deferral relief

### 5.2.1 Employees' Tax (PAYE) Relief

#### Qualifying criteria:

An employer can only access this deferral relief if the employer is a 'qualifying taxpayer'.

A 'qualifying taxpayer' is a company, trust, partnership or individual that:

1. is a taxpayer that conducts a trade;
2. has gross income of R50 million or less<sup>1</sup> during the year of assessment ending on or after 1 April 2020 but before 1 April 2021;
3. whose gross income for the year of assessment does **not include more than 10% income** derived from interest, dividends, foreign dividends, rental from letting of fixed property and any remuneration received from an employer; and
4. is tax compliant as referred to in section 256(3) of the TAA.

Tax compliance in terms of section 256(3) requires that a taxpayer must:

- be registered for tax;
- have no outstanding tax debt as defined in section 1 of the TAA, other than a tax debt:
  - in respect of which an agreement has been entered into in accordance with section 167 (instalment payment agreement) or 204 (compromise of tax debt) of the TAA; or
  - that has been suspended in terms of section 164 of the TAA; or
  - that may not be recovered for the period specified in section 164(6) (10-day period from requesting suspension of payment or SARS' decision for suspension or revocation thereof); or
  - the amount of which does not exceed R100; and
- have submitted all its returns as defined in section 1 of the Tax Administration Act, 2011 (TAA) on the basis required by section 25 of the TAA.

A further requirement is that the employer must have been registered as an employer with SARS by 1 March 2020 to be able to qualify for the tax relief.

#### Relief provided:

Should the above be met, the PAYE relief provided is as follows:

- deferral of 20% of the monthly PAYE amount for each month from April to July 2020; and
- The payment of the 20% deferred amount is split equally over 6 months from 7 September 2020 to 5 February 2021; and
- no interest and penalties will be charged in respect of the deferred payments.

An example to illustrate this relief, as provided in the SARS FAQ document, is as follows:

<sup>1</sup> The R50 million gross income limit will be determined in the year of assessment ending on or after 1 April 2020 but before 1 April 2021

Payroll	Gross liability	20% deferral	80% Payable	Date due of the 80%	Payroll	Amount payable	Date due
April	150 000	30 000	120 000	07-May	August	20 000	07-Sep
May	145 000	29 000	116 000	05-Jun	September	20 000	05-Oct
June	155 000	31 000	124 000	07-Jul	October	20 000	06-Nov
July	150 000	30 000	120 000	07-Aug	November	20 000	07-Dec
Cash flow benefit		120 000			December	20 000	07-Jan
					January	20 000	05-Feb

### **Administrative matters:**

#### *How must the EMP201 be completed taking the relief into account?*

According to the SARS FAQ document, the full employees' tax liability withheld or deducted from remuneration must be **declared** on the EMP 201 (that is, as per normal process). If the taxpayer is a qualifying taxpayer, then only 80% of the employees' tax liability **must be PAID** by the relevant due dates. SARS will defer the 20% employees' tax liability and not impose/charge any penalties and interest on this deferred amount.

### **5.2.2 Provisional Tax Relief**

#### Qualifying criteria:

A taxpayer can only access this deferral relief if the taxpayer is a 'qualifying taxpayer' as defined above. Micro businesses, as defined in the Sixth Schedule, can also access this relief – the criteria are the same as a 'qualifying taxpayer' other than the requirement to have a gross income of R50 million or less and the 10% requirement for passive income/remuneration. That is the micro business must be a taxpayer that is tax compliant as stipulated above.

#### Relief provided:

Should the taxpayer be a qualifying taxpayer, the provisional tax (interim payment in the case of micro businesses) relief provided is a deferral of 35% of the provisional tax liability and is implemented as follows:

- First provisional tax payment<sup>2</sup>: Only 15% (instead of 50%) of the estimated tax liability needs to be paid in respect of the first provisional tax payment; and
- Second provisional tax payment<sup>3</sup>: Only 65% (instead of 100%) of the total estimated tax liability reduced by the first provisional payment that has already been made, needs to be paid in respect of the second provisional tax payment;
- Third provisional tax payment: The outstanding 35% must be paid by the effective date. For micro businesses, this payment must be made on the date specified in the notice of assessment.

An example to illustrate this relief, as provided in the SARS FAQ document, is as follows:

<sup>2</sup> First provisional tax periods ending on or after 1 April 2020 but before 1 October 2020

<sup>3</sup> Second provisional tax periods ending on or after 1 April 2020 but before 1 April 2021

Estimate Taxable Income		R 10 000 000.00
Tax at 28%		R 2 800 000.00
First Provisional Tax Period	15%	R 420 000.00
Second Provisional Tax Period (Note)	65%	R 1 400 000.00
Third Provisional Tax Period	35%	R 980 000.00

Note: R1 820 000 less payment of R420 000 made for first provisional tax period

### **Administrative matters:**

#### How must the IRP6 be completed taking the relief into account?

According to the SARS FAQ document, the amount that must be declared on the IRP6 (provisional tax return) is the **total estimated tax liability** (that is, as per normal process). If the taxpayer is a qualifying taxpayer, then they must only PAY 15% (first provisional tax period) of the estimated tax liability or 65% (second provisional tax period) of the estimated tax liability reduced by the first provisional tax payment paid, by the relevant due dates. The deferred tax liability will not attract any penalties and interest.

### **5.2.3 PAYE relief for COVID Disaster Relief Trust payments**

#### Qualifying criteria:

The law provides for the creation of a COVID-19 Disaster Relief Trust (see more on these entities later in this document) that will provide relief to businesses in need due to the COVID-19 national disaster. Streamlined special tax treatment for these entities are proposed that are similar to the current special tax dispensation applicable to PBOs that provide disaster relief as envisaged in sections 10(1)(cN) and 30 read together with Part I and Part II of the Ninth Schedule to the Act.

#### Relief provided:

In cases where a loan is made by the COVID 19 disaster relief fund to a SMME (per Explanatory Memorandum, but any business per draft Bill) and the amount of the loan is not paid directly to the SMME, but payment is made in terms of weekly allowances directly to the employees of that SMME in order to ensure that jobs are retained, no PAYE withholding obligation arises for the SMME employer. The payments will be treated as income in the hands of the employees and will be subject to tax in the hands of the employees on assessment.

See SAICA's concerns in SAICA's submission on the recordkeeping requirements for all parties in respect of these payments.

## **5.3 Extension of time periods**

### **5.3.1 TAA**

The period of the national lockdown, for purposes of the calculations of certain time periods that need to be calculated under a tax Act, is regarded as *dies non* (do not count).

For the TAA, this applies to:

- attending an interview during lockdown (section 47 of the TAA)

- field audits (section 48(1))
- appearing at an inquiry (section 53)
- a warrant of search and seizure issued (section 60)
- a ruling (Chapter 7 of the TAA)
- period of limitations for issuance of assessments (section 99(1))
- finality of assessment or decision (section 100)
- **dispute resolution** (Chapter 9 of TAA).

So **no extension** has been provided for the deferral of the submission of returns and payments (other than those mentioned above). Furthermore, no extension has been provided in respect of the submission of relevant material to SARS.

No extension has been provided in respect of section 10(1)(o) either, so those employees that cannot leave South Africa due to the lockdown restrictions, at this stage, have to count the lockdown days as their time in South Africa (refer to the SAICA submissions highlighting the concerns in this regard).

A further concern, is that no guidance is given from SARS on the extent to which companies might be creating new permanent establishments (PE) or residence issues due to the temporary displacements of staff, because of their being present in a jurisdiction long enough, might trigger the PE or residence rules under tax treaties. The OECD has, released some guidance on this.

**Note:** With regard to the calculation of days for the time period of disputes, the TAA states for instance that an objection must be filed within 30 days from the issuing of the assessment. The question that arises is whether the day the assessment was issued should be counted as the first day of the 30 days or not. The TAA is silent on this matter, but the Interpretation Act, 1957, states the following with regard to the reckoning of number of days:

*“When any particular number of days is prescribed for the doing of any act, or for any other purpose, the same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day happens to fall on a Sunday or on any public holiday, in which case the time shall be reckoned exclusively of the first day and exclusively also of every such Sunday or public holiday”.*

Therefore, the days should be counted from the day after the assessment. We urge members to ensure that they check the time calculations carefully to avoid any late payments etc.

### 5.3.2 Customs and Excise

From a Customs & Excise (C&E) perspective the Commissioner may, on application, condone with retrospective effect any non-compliance with a time period not mentioned in paragraph (a)(i) below (apart from a time period excluded in terms of paragraph (a)(ii)), if it can be shown that the non-compliance was as a result of the period of the national lockdown: Provided that if the relevant provision prescribing the timeframe affords the Commissioner a discretion to permit or authorise an extension of the timeframe, this paragraph does not apply and such permission or authorisation must be obtained before the expiry of the timeframe.

Paragraph (a) reads as follows:

(a) The period of the national lockdown—

- (i) will, subject to paragraph (b), be regarded as *dies non* in respect of the calculation of any time period prescribed—
- (aa) for the furnishing of documents or proof, excluding supporting documents or proof referred to in subparagraph (ii)(cc);
  - (bb) for the submission of reports, notices or notifications, except time periods prescribed in respect of reporting documents in terms of the rules under section 8;
  - (cc) for the submission and processing of applications for registration or licensing, general refunds of duty, substitution of a bill of entry referred to in subparagraph (ii)(aa), or any other application, except in circumstances where fast tracking of certain applications is required to support efforts to prevent the escalation of the national disaster or to alleviate, contain or minimise the effects thereof;
  - (dd) applicable for purposes of internal administrative appeal procedures, alternative dispute resolution procedures or dispute settlement;
  - (ee) applicable for purposes of calculating a prescription period in relation to tariff determinations, value determinations or origin determinations; and
  - (ff) applicable for purposes of an appeal to the High Court in cases relating to tariff determinations, value determinations or origin determinations; and
- (ii) will not be regarded to be *dies non* in respect of the period for—
- (aa) submission of a bill of entry as defined in section 1;
  - (bb) submission of an account or return as may be prescribed for excise duties, fuel levy, environmental levies, health promotion levy and air passenger tax;
  - (cc) submission of supporting documents or proof required for purposes of a bill of entry referred to in item (aa) or an account or return referred to in item (bb); and
  - (dd) for payment of duties due and payable.

### 5.3.3 Dividend withholding tax declarations

The extension of time for the submission of DWT declarations by 3 months to 1 October 2020 only applies to section 64G (dividends), that is, the withholding tax on cash dividends from companies. The extension does not currently apply to the withholding tax on royalties, withholding tax on interest, dividends tax declarations in respect of dividends *in specie*, dividends tax declarations held by companies and dividends tax declarations held by intermediaries.

## 6. Other relief: UIF ‘TERS’ incentive

### Background & purpose:

Details of the 2020 COVID-19 temporary employee/employer relief scheme (TERS) is included in a [directive](#) (and [amendments](#) to the directive) which is called the "Covid-19 Temporary Relief Scheme, 2020".

The first purpose of the Covid-19 temporary employee / employer relief scheme is to make provision for the payment of benefits to the Contributors who have lost income due to Covid-19 pandemic<sup>4</sup>.

<sup>4</sup> See paragraph (a) of clause 2.1.1

The directive doesn't define the words 'benefits' or 'contributor'. In the Unemployment Insurance Act (UIA), 2001, unless the context indicates otherwise - "contributor" means a natural person -

- (a) who is or was employed;
- (b) to whom this Act, in terms of section 3, applies; and
- (c) who can satisfy the Commissioner that he or she has made contributions for purposes of this Act; (Section 1(1) of the UIA.)

Section 12(1B) of the UIA provides that "a contributor employed in any sector who loses his or her income due to reduced working time, despite still being employed, is entitled to benefits if the contributor's total income falls below the benefit level that the contributor would have received if he or she had become wholly unemployed, subject to that contributor having enough credits."

It is accepted that the word 'benefits', as used in the Directive, refers to the benefits available in terms of the "Scheme", see clause 1.1.6 of the Directive – "Scheme" means the Covid-19 temporary relief scheme. In terms of clause 1.1.5 "Covid-19 temporary employee / employer relief scheme" means a scheme established to compensate employees who have lost income due to Covid-19.

From the above it is clear that the purpose is to compensate employees who have lost income due to Covid-19, and not for the employer to benefit from the scheme. The reason why the word 'employer' appears in the scheme is that it will be the employer who claims from the fund, in terms of this scheme, and then pays the qualifying employee.

The benefit can also be paid to a bargaining council. The same principles will apply when the payment is made to the bargaining council. But, an employer whose employees are entitled to receive covid-19 benefits provided by the Unemployment Insurance Fund during the period of lockdown from a bargaining council may not make an application in terms of the Scheme and the employees of that employer may not receive any payment in terms of the Scheme than through the bargaining council. See Clause 3.8.1 of the directive.

Clause 3.1 states that, should an employer as a result of the Covid-19 pandemic close its operations, or a part of its operations, for a 3 (three) months or lesser period affected employees shall qualify for a Covid-19 benefit. It is the affected employees in these circumstances who will benefit from the Covid-19 benefit.

#### Relief:

In terms of clause 3.3 of the directive the benefits will only pay for the cost of salary for the employees during the temporary closure of the business operations. The salary to be taken into account in calculating the benefit will be capped at a maximum amount of R17,712.00 per month, per employee and an employee will be paid in terms of the income replacement rate sliding scale (38%-60%) as provided in the UIA.

#### *What is the minimum amount that must be paid to an employee?*

Clause 3.5 provides that, should an employee's income determined in terms of the income replacement sliding scale fall below R3 500, the employee will be paid a replacement income equal to that amount.

Clause 3.6 states that, qualifying employees (*which is not defined in the directive*) will receive a benefit calculated in terms of sections 12 and 13(1) and (2) of the UI Act, provided that an employee shall receive a benefit of no less than R3 500.

Clause 5.3 states that subject to the amount of the benefit contemplated in clause 3.6, an employee may only receive COVID-19 benefits in terms of this directive if the total benefit together with any additional payment by the employer in any period is not more than the remuneration that the employee would ordinarily have received for working during that period.

It would appear that this implies that if the calculation to determine the replacement amount, results in an amount less than R3 500, then the person who lost income will be entitled to R3 500. If the calculation results in the employee getting more than the normal remuneration in total (that is the amount paid by the employer plus the amount calculated in terms of the scheme), then the R3 500 is reduced. The drafting of clause 5.3 creates some confusion (by making it subject to amount in clause 3.6) in that it could be interpreted that the amount of R3 500 overrides the total remuneration limit, however, it is SAICA's view that this is not the case taking the context of the whole directive into account.

### **The normal tax consequences (employer):**

*Will the employer be taxed on the amount received and can it claim the payment to an employee as a tax deduction?*

The employer, with respect to the COVID-19 benefit, receives the amount, not for the benefit of the employer, but for the benefit of the employee. Clause 5.4 of the directive confirms that "all amounts paid by or for the UIF to employers ... under the terms of the Scheme shall be utilized solely for the purposes of the Scheme and for no other purpose." It goes further and states that "no amount paid by or for the UIF to an employer ... under the terms of the Scheme that is required to be paid, in turn, to an employee will fall into the general assets of the employer ..., and no bank may refuse to release or administer the transfer of that amount into the bank account of the employee as required by the Scheme, irrespective whether the employer ... is in breach of its overdraft or similar contractual arrangements with the bank concerned."

From the above it is clear that the amount received by the employer from TERS is not a receipt for purposes of gross income – the employer is merely acting as an 'agent' for the money. When the amount is paid to the employee, there employer will also then incur no expenditure and can't claim a deduction of the amount paid.

*Will the employer have to withhold employees' tax from the amounts paid to its employees?*

It is accepted that the employer will make the payment through its normal payroll. In other words, it will add the replacement income to the reduced remuneration payable to the employee, but no employees' tax needs to be withheld from the TERS amount paid as it is not remuneration as such as it is a benefit in terms of the TERS 'paid' by the UIF with the employer merely acting as an 'agent'.

### **The normal tax consequences (employee):**

*Will the employee be taxed on the benefit received?*

Section 10(1)(mB), of the Income Tax Act, exempts from normal tax, any benefit or allowance payable in terms of the Unemployment Insurance Act, 2001. The employee therefore receives this benefit tax-free.

## 7. Other cash flow relief: VAT & Customs

### 7.1 Full rebate of customs duty & import VAT exemption on certain goods

Importation of supplies critical to the national state of disaster necessitated by the COVID-19 pandemic can be done free of duty and VAT into South Africa.

**Note:** The VAT treatment of the local supply of goods by an importer or any other vendor is unaffected by the import VAT exemption. The normal provisions of the Value-Added Tax Act, 1991, apply.

Importers are required to apply to ITAC for a certificate to use that qualifies them to import under rebate item 412.11.

Qualifying products referred to as "critical supplies" are listed on the ITAC website, as is the application form and the SOP.

The importation of these goods will follow the normal Customs procedure described in the external policy SC-CF-55. The rebate item is only valid for direct importations and no bonded or warehouse clearances will be permitted under this rebate item. CPC A 14 must be used for importations from outside SACU and CPC A 12 for importations from the BLNS, with measure 412.11/00.00/01.00.

If requested to provide supporting documents to Customs, the client would need to upload the certificate issued to the importer by ITAC, along with the standard set of supporting documents to substantiate the import declaration.

During the COVID-19 pandemic, SARS Customs has also set up a command centre to deal with escalations that may have not been dealt with at branch level. Your existing call reference number, transaction (SSM/LRN) can then be sent to [osc@sars.gov.za](mailto:osc@sars.gov.za). To save duplication and time, clients are reminded that queries must be sent to the relevant branch/processing centre.

SARS wishes to clarify that "essential goods" as defined in Regulation R.398 in *Government Gazette* No 43148 of 25 March 2020, other than the goods mentioned below, are exempt from VAT on importation under item 412.11/00.00/01.00 to Schedule 1 of the Value-Added Tax Act, 1991, read with section 13(3) of that Act.

Goods that are not exempt from VAT on importation are goods that the International Trade Administration Commission (ITAC) has indicated are:

- 1) dutiable (and no ITAC certificate under item 412.11 of Schedule No. 4 of the Customs and Excise Act, 1964, has been issued);
- 2) subject to the duties referred to in 1) but are entering South Africa duty free because of a preferential trade agreement or other agreement, such as a customs union;
- 3) the subject of applications for duty support that are currently pending before ITAC; and
- 4) manufactured by domestic industry and ITAC has determined such industry is being or is likely to be injured by imports.

See the [illustrative mapping of essential goods](#) to their relevant tariff headings. The illustrative mapping has been prepared at a high level and may include non-essential goods. e.g. Chapters 28 and 29 contain chemicals that are not used for essential goods. Importers must ensure that only essential goods are cleared under item 412.11 to avoid penalties.

Goods excluded from the import VAT exemption under 1) are those goods that are subject to an ordinary customs duty, as set out in Schedule No. 1, or trade remedies (anti-dumping, countervailing or safeguard duty), as set out in Schedule No. 2 to the Customs and Excise Act, 1964. Goods excluded under 2) are also set out in these Schedules. A list of goods excluded under 3) and 4) is available in the relevant ITAC certificate. The [ITAC import VAT certificate](#) dated 30 March 2020 and the [ITAC import VAT certificate](#) dated 8 April 2020.

Goods that qualify for VAT exemption and are not dutiable fall under the certificate issued by ITAC in this regard and no individual applications need be submitted to SARS or ITAC.

Importation will follow the normal procedure described in the external policy SC-CF-55 – Clearance declaration external policy. The VAT exemption is only valid for direct importations and not to be cleared into bond or warehousing. CPC A 14 must be used for importations from outside SACU and CPC A 12 for importations from the BLNS, with measure 412.11/00.00/01.00.

## 7.2 Application of Origin proof of requirement – relaxation measures

South Africa and the European Commission has relaxed the requirement to insist on the presentation or submission of original certificates of origin to prove the originating status of goods at the time of clearance. Instead, copies or electronic versions of proof of origin will be accepted in an attempt to curb the spread of the COVID-19. In South Africa, the relaxation of the rules is subject to the submission of the original certificates within 12 months after being issued in the European Union (EU). While Article 26 to Protocol I of the SADC-EU Economic Partnership Agreement (EPA) requires the submission of an original proof of origin within ten (10) months, SARS will honour or accept copies or electronic versions of certificates of origin while awaiting the submission of the original versions within twelve (12) months after being issued in the EU.

Traders are encouraged to register for the generous Approved Exporter Scheme, within the meaning of Article 25 to Protocol I of the SADC-EU EPA, which allows an Origin Declaration to be presented in the importing country no longer than two (2) years after the importation of the products to which it relates. All enquiries in relation to this matter can be directed to Mr Alfred Ramoroka at [aramoroka@sars.gov.za](mailto:aramoroka@sars.gov.za).

Refer also to Binding General Ruling 52 ([BGR 52](#)) which extends the time periods for direct and indirect exports where the prescribed timelines have not yet been exceeded.

### 7.3 Updates of customs matters from SARS & deferment of payment

The Government response to Covid-19 is constantly evolving as circumstances relating to the pandemic change. This also requires SARS to respond with agility to any changes that impact its Customs regulatory function relating to goods imported into, or exported from the Republic during this period. SAICA therefore urges its members to regularly review the SARS website for these changes. An [update](#) on customs measures relating to COVID-19 measures was placed on the SARS website on 19 April 2020. This update replaces the Customs Practice Note and its Explanatory Memorandum issued on 6 and 7 April 2020 respectively.

SARS has received a number of requests from traders for payment relief or extension in respect of the April 2020 customs duty deferment period as a result of COVID-19. SARS [responded](#) and stated it is **not in a position to further extend any payment periods** applicable to the payment of customs duties, whether due at time of importation, or within 7 days of the expiry of a deferment period.

## 8. COVID-19 Disaster Relief Trusts

To streamline the special tax treatment for funds established to assist with COVID-19, relief measures similar to the current special tax dispensation applicable to PBOs that provide disaster relief as envisaged in sections 10(1)(cN) and 30 read together with Part I and Part II of the Ninth Schedule to the Act, are applied to these funds.

#### Qualifying criteria:

The funds must be a trust established for the sole purpose of disaster relief in respect of the COVID-19 pandemic. This trust is deemed (although the Explanatory Memorandum states that the trust must apply and be approved) to be a public benefit organization (PBO) as defined in section 30(1) of the Income Tax Act, if that trust carries on a public benefit activity as contemplated in paragraph (a) of the definition of 'public benefit activity' in that section. Paragraph (a) means any activity listed in Part 1 of the Ninth Schedule.

This trust will be deemed to be approved by SARS as a PBO complying with all the conditions imposed by section 30 of the Act but SARS has the power to withdraw the approval.

These provisions are only applicable from 1 April 2020 to 31 July 2020. The COVID-19 trusts must be dissolved on/after 31 July 2020 and the assets distributed as contemplated in section 30(3)(b)(ii). Should the trust not be dissolved, it will be deemed to be a small business funding entity contemplated in section 30C.

#### Can a current PBO convert to a COVID 19 Disaster Relief Trust?

SAICA does not believe that a current PBO can convert as the requirement is that the trust was created to solely to provide disaster relief in relation to COVID 19 which an existing PBO trust would not be able to comply with.

#### Can a current PBO provide COVID 19 disaster relief?

SAICA's view is that a current PBO, irrespective of juristic form, who currently has disaster relief as public benefit activity or who amends its constitution or incorporating instrument to include the disaster relief public benefit activity can do all disaster relief

including COVID 19 disaster relief. This is because there is currently no separate COVID 19 public benefit activity in the Disaster Management Tax Relief Bills 2020 and COVID 19 Disaster Relief Trusts will rely on the exact same activity.

*If a current PBO, which has disaster relief as a benefit activity, provides COVID 19 disaster relief, would it need to convert to a section 30C entity after 4 months?*

SAICA is of the view that a current PBO which has “disaster relief” as an activity and also provides COVID 19 disaster relief would not have to convert as the conversion only applies to COVID 19 Disaster Relief Trusts which have COVID 19 as their sole purpose.

Relief provided:

- COVID-19 Disaster Relief Trusts will be exempt from tax as they are deemed to be a PBO.
- Donations in cash (**not in kind**) by persons to the trust will qualify for a section 18A tax deduction in the donors’ hands.
- No employees’ tax needs to be withheld from money paid by a COVID-19 Disaster Relief Trust to a SMME’s employees.

*Can a current PBO provide section 18A donation deductions receipts for COVID 19 disaster relief donations?*

“Disaster Relief” is both a Part I and Part II activity in the Ninth Schedule to the ITA. Should the relevant PBO have “disaster relief” as an approved activity and it is also currently registered for the purposes of section 18A ITA, it will be able to issue s18A ITA tax deduction receipts for donations received for disaster relief subject to the receipt complying with requirements of section 18A.

## 9. Summary of tax incentives

A short summary of what type of entities (large businesses, SMMEs, exempt entities etc.) are entitled to what benefits is set out below.

RELIEF	RELIEF SUBCATEGORY	SAICA TECHNICAL GUIDE SECTION	Large business	SMME	Exempt Entities	Government	Other Public Sector
<b>CASH RELIEF</b>							
<i>ETI</i>		3.1.1	✓	✓	Maybe	X	✓
<i>UIF TERS</i>		4	✓	✓	Maybe	X	✓
<i>VAT &amp; Customs</i>	Import VAT exemption on essential goods	5	✓	✓	✓	n/a	✓

RELIEF	RELIEF SUBCATEGORY	SAICA TECHNICAL GUIDE SECTION	Large business	SMME	Exempt Entities	Government	Other Public Sector
<b>DEFERRALS</b>							
<i>PAYE – Qualifying taxpayers</i>		3.2.1	X	✓	Maybe	X	X
<i>PAYE – COVID Trust payments</i>	No PAYE on COVID Trust payment to employees	3.2.3	X	✓	✓	Maybe	Maybe
<i>PROV TAX – Qualifying taxpayers</i>		3.2.2	X	✓	Maybe	X	X
<b>TIME PERIODS</b>							
26 Mar – 30 Apr not counted		3.3					
	Dispute resolution: eg. Objection & appeal		✓	✓	✓	✓	✓
	Attend an interview		✓	✓	✓	✓	✓
	Field audit		✓	✓	✓	✓	✓
	Appear at an inquiry		✓	✓	✓	✓	✓
	Rulings		✓	✓	✓	✓	✓
	Period of limitations for issuance of assessments		✓	✓	✓	✓	✓
	Finality or assessment decisions		✓	✓	✓	✓	✓
<b>COVID DISASTER TRUSTS</b>							
<i>Relief:</i>	S18A Donation deduction for donor	6	✓	✓	n/a	n/a	✓
	Receive distribution and loans from these entities	6	X	✓	✓	X	X

## 10. Other SARS Guidance

- [Updated Frequently Asked Questions on Tax Measures](#)
- [VAT Reference Guide for Foreign Donor Funded Projects in light of COVID-19](#)
- [SADC Guidelines on Harmonisation and Facilitation of Cross Border Transport Operations across the Region During the COVID-19 Pandemic](#)
- [No need to go to a SARS branch, see our online services](#)

SAICA urges members to regularly check the [SARS COVID-19 website](#) for more updated details.