

# BGC 2019 NEWSLETTER

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## TAXATION AT BGC

In business and personal life, efficient tax planning is a necessity. Almost every decision in business is accompanied by the age old question: “What about the tax?”

For over 65 years, BGC have been answering these questions for clients with the aim of making the process as efficient as possible and we pride ourselves on educating our clients along the way.



AUDIT • TAX • ADVISORY

## 2019 TAX SEASON

The 2019 tax filing season for Individuals opens on the 1<sup>st</sup> July 2019 and closes on the 4<sup>th</sup> December 2019 (for non-provisional taxpayers), with provisional taxpayers having until 31<sup>st</sup> January 2020 to file via efilng. Filing submission for manual returns only open on 1<sup>st</sup> August 2019 and closes on 31<sup>st</sup> October 2019.

## Who is required to submit an Income Tax Return to SARS?

- 1) **All Individuals whose income from one employer is greater than R500, 000 for the tax year.**
- 2) **All Individuals whose income is less than R500, 000 but:**
  - their source of income is from more than one employer or have received more than one IRP5 from same employer or employed for a broken period.
  - they receive a travel allowance
  - they have other sources of income (i.e. rental, interests, trust distributions etc.)
  - they have deductions they want to claim (i.e. medical expenses, retirement annuity contributions, donations etc.)
  - they have local or foreign capital gains/losses
  - To further reduce unnecessary trips to SARS branches, taxpayers whom SARS has identified as exempt from filing a return will receive a simulated outcome from SARS as if they had filed a return. The taxpayer can either accept the outcome; or complete a tax return.

PLEASE MAKE SURE TO CONTACT SARS OR BGC IF YOU ARE UNSURE IF YOU SHOULD SUBMIT A TAX RETURN, SARS MIGHT HAVE A DIFFERENT OPINION TO YOU.

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*“In this world nothing can be said to be certain, except death and taxes.”*

*B. Franklin*

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## Contact Us:

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## WHAT SUPPORTING DOCUMENTS DO YOU NEED IN ORDER TO COMPLETE YOUR TAX RETURN?

- Your IRP5/IT3(a) certificate(s)
- Certificates that you received in respect of any investment income [IT3(b)(c)]
- Financial statements, if applicable e.g. business income
- Details of trust distributions received, both local and foreign
- Details of foreign income received
- Details of medical expenses paid by you and not covered by your medical scheme (Invoices and a Schedule)
- Medical Certificate
- Completed confirmation of diagnosis of disability form (ITR-DD)
- Retirement annuity contributions Certificates (RAF)
- S18A Donations tax certificates
- Details of business travel: Logbook (if you received a travel allowance or want to claim against a fringe benefit for an employer provided vehicle)
- Information relating to foreign tax credits withheld
- Financial statements, if applicable e.g. business income

Any other relevant material relating to income you received or deductions you want to claim. Please contact us if you have any doubt!

## WHAT ARE THE CONSEQUENCES OF NOT SUBMITTING YOUR INCOME TAX RETURN BY THE SARS DEADLINE?

SARS will levy a non-compliance penalty for each month that your return is outstanding. Penalties can range from R250 to R16 000 per month. SARS may appoint your bank or employer as an agent to deduct the outstanding penalties from your salary or bank account.

## SCAMS

Members of the public are randomly emailed with false “spoofed” emails made to look as if these emails were sent from SARS, but are in fact fraudulent emails aimed at enticing unsuspecting taxpayers to part with personal information such as bank account details. Examples include emails that appear to be from [returns@sars.co.za](mailto:returns@sars.co.za) or [refunds@sars.co.za](mailto:refunds@sars.co.za) indicating that tax payers are eligible to receive tax refunds. These emails contain links to false forms and fake websites made to look like the “real thing”, but with the aim of fooling people into entering personal information such as bank account details which the criminals then extract and use fraudulently.

Please note these are scams and SARS taxpayers should take note of the following:

- Do not open or respond to emails from unknown sources.
- Beware of emails that ask for personal, tax, banking and eFiling details (login credentials, passwords, pins, credit / debit card information, etc.).

- SARS will never request your banking details in any communication that you receive via post, email, or SMS. However, for the purpose of telephonic engagement and authentication purposes, SARS will verify your personal details. Importantly, SARS will not send you any hyperlinks to other websites - even those of banks.
- Beware of false sms's.

## POWER OF ATTORNEY FORMS

The time period for the current power of attorney forms are due to expire and we require updated forms from each taxpayer for the next 24 months. We will contact you with regards to this matter

### Would you like to know more?

Please click [HERE](#) for the full BGC 2019 Tax Guide: (The 2020 Tax Guide will be made available shortly)