WORD FROM COTE

INTERESTING TIMES

We are slowly approaching the end of the filing season for taxpayers that are non-provisional taxpayers. The Centre of Tax Excellence (CoTE) is aware of the challenges that members and taxpayers (your clients) are experiencing when it comes to refunds and SARS’ failure to communicate about the stopper placed on refunds.

The assessment reflects a refund and after audit finalisation, the taxpayer awaits the deposit of this refund into their bank account, which they have been using for a number of years. The expected refund is not forthcoming until the tax practitioner or taxpayer queries this with SARS, only to be informed that there is a stopper on their account, and that the taxpayer must present themselves at a SARS branch and complying with the requirements; the refund still remains unpaid.

There have been reported incidents where the taxpayer has been asked by SARS for a second verification. When SAIPA raised the matter with SARS, the explanation given was that the cases with a stopper have been identified as high risk for fraud and that verification is required. Whilst the explanation provided is not convincing, we have suggested that when a stopper is placed, the taxpayer and practitioner be immediately informed instead of SARS waiting until an enquiry is made. We have further engaged SARS at the highest levels to get this matter resolved. We have also furnished them with specific examples and are expecting some positive feedback to resolve this.

We wish to re-iterate the importance of being more vigilant during this time, as chancers and fraudsters attempt to take chances and come up with various scams that might cause undue stress for you and your clients. Thus, the responsibility of ensuring that the interest of your clients is well-protected including the integrity of your profession lies with you. At the SAIPA Centre of Tax Excellence we will continue to be available by ensuring that all tax queries or challenges are resolved timeously, thus averting unnecessary stress and frustration.

It is worth noting that the 2016 Tax Indaba was a great success and added much value to the profession. The event was well-attended and we were encouraged by the cooperation between the RCB in making this annual event the success that it was. The presentations, panel discussions and plenary sessions were of a high calibre and brought a wealth of knowledge to the attendees. It is also interesting to note that the new King IV, to be launched in November this year, has recognised the importance of tax governance. This is a step in the right direction and benefit to all tax professionals.

Lastly we wish to congratulate the Tax Ombud for the extension of his term for a further three years. This contributes to the stability of the office hence a positive benefit for the taxpayers.

We encourage all members to ensure that your CPD hours are up to date. All members are required to accumulate a minimum of 20 verifiable and 20 non-verifiable CPD hours per year. For tax practitioners, of the 20 verifiable hours, at least 12 of these must be on tax, at least 4 must be on accounting and at least 2 hours must be on ethics. All hours must be updated on your member profile by 31 December 2016. Should you be short of hours to date please check the upcoming workshops, webinars and also check the products available that count towards continuous professional development.

Enjoy this latest issue of the Tax Professional magazine with the new look and feel as we evolve to become more relevant in the changing times as SAIPA.

Best wishes!

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