

## EXTERNAL GUIDE

# HOW TO COMPLETE THE INCOME TAX RETURN (ITR14) FOR COMPANIES

## REVISION HISTORY TABLE

Date	Version	Description
08-05-2020	10	Guide updated with information relating to the submission of ITR14 return where a Trust is specified as an ultimate holding company. Changes made to pages 71 and 125 in the Company Structure containers.
07-12-2020	11	Guide updated with legislative changes
02-03-2021	12	Guide updated with legal change to explain capture only the movement for the current year or the aggregation of all movement since 1 January 2011. Changes made to pages 71 and 125 in the Contributed Tax Capital sections.
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## 1 PURPOSE

- This guide in its design, development, implementation and review phases is guided and underpinned by the SARS Strategic Plan 2020/21 - 2024/25 and the applicable legislation. Should any aspect of this guide be in conflict with the applicable legislation the legislation will take precedence.

## 2 INTRODUCTION

- All companies which are a tax resident in the Republic of South Africa (i.e. incorporated under the laws of, or which are effectively managed in, the Republic), and which derive income from within or outside the Republic, are subject to income tax in the Republic. Non-resident companies which operate through a branch or which have a permanent establishment within the Republic are subject to income tax on all income from a source within the Republic. This is commonly referred to as corporate income tax (CIT). CIT forms part of the tax revenue generated within the Republic, which is used by the state in reaching its economic and developmental goals.
- SARS is the collection agency of the Republic, and one of its mandates is to assess and collect CIT from companies by making use of the Income Tax Return for Companies (ITR14 return) and supporting documents. This instrument (ITR14 return) should be completed and submitted by companies in order to declare their full income tax responsibility to SARS. All financial transactions entered into during a given year of assessment should be included in the declaration. The information declared in this instrument serves as the basis for determining the CIT obligation of the company.
- SARS classifies a company as one of the following (refer to the Company Classification in Section 4 below for the detailed definitions):
  - Dormant
  - Share Block Company/Body Corporate;
  - Micro Business;
  - Small Business; and
  - Medium to Large Business.
- **Note:**
  - Small Businesses and Medium to Large Businesses are required to upload the signed off Annual Financial Statements (AFS) as part of the return submission. For all other companies it is optional.
  - For mining companies, the submission of the mining schedule is compulsory.
  - For short term insurers the submission of the short term insurance schedule is compulsory.
  - For headquarter companies as defined in s9I the submission of the Schedule for Companies electing to be a Headquarter Company (RCH01) is compulsory.
  - For Controlled Foreign Companies, the submission of the Controlled Foreign Company (CFC) return IT10A (prior 2012) or IT10B (2012 onwards) is compulsory.
- This guide is designed to assist with the completion of the ITR14 return as accurately and honestly as possible.
- All references to sections, paragraphs or schedules in this document are to sections, paragraphs or schedules (as amended), unless otherwise stated.
- For further information on the ITR14 return visit [www.sars.gov.za](http://www.sars.gov.za), call the SARS Contact



Centre on 0800 00 7277 or visit your nearest SARS branch.

### 3 HOW TO INTERPRET THIS GUIDE

- This guide will provide assistance in the classification of companies in order to customise the contents of the ITR14 return. The company must ensure that the correct classification is determined upfront.
- The remainder of the guide addresses the following:
  - How to request an ITR14 return ;
  - How to complete the ITR14 return;
  - How to submit an ITR14 return;
  - How to request a correction

### 4 DETERMINE COMPANY CLASSIFICATION

- The ITR14 return contains an “Information to create this income tax return” section, which on completion will generate the customised ITR14 return according to the company type identified.
- A company may for purposes of the ITR14 return customisation, be classified as dormant, a share block company, a body corporate, a microbusiness, small business or as a medium to large business. The classifications are as follows:
  - **Dormant** - A dormant company is classified as a company that was not actively trading and/or did not receive any income or incur any expenses during the year of assessment (If the company traded during any part of the year of assessment, the company will not be regarded as a dormant company).
- Companies that are not dormant are classified as follows:
  - **Share Block Company** – as defined in s1 of the Share Blocks Control Act, 1980 (Act 59 of 1980).
  - **A Body Corporate** – as defined in s1 of the Sectional Titles Act, 1986 (Act 95 of 1986).
  - **Micro Business** – a company with a qualifying turnover (as defined in paragraph 1 of the Sixth Schedule not exceeding R1 million and the total assets (current and non-current) not exceeding R5 million, and that is not otherwise classified as a Body Corporate/Share Block Company for purposes of the ITR14 return.
  - **Small Business** – a company not otherwise classified as a Body Corporate/Share Block Company or Micro Business with total assets not exceeding R10 million and gross income (sales/turnover plus other income) not exceeding:
    - R14 million if the financial year end is prior to 30 April 2013;
    - R20 million if the financial year end is from 30 April 2013 onwards;
  - **Medium to Large Business** – If a company is not classified as a body corporate/share block company, micro business or small business, it will be classified as a medium to large business.

## 5 HTML5

- 'HTML5' refers to 'Hyper Text Mark-up Language' and is a type of technology used for structuring and presenting content on websites. Some of the advantages of HTML5 is that it is compatible with multiple web browsers (e.g. Google Chrome, Edge, Firefox, Safari, and Opera) and it offers improved access to users irrespective of the screen size, orientation and resolution of their devices.
- From 24 February 2020, the look and feel of the ITR14 return has been changed. The return is built in "HTML5". The advantage of this is that it allows the return to be accessed on multiple platforms including desktop.

## 6 REQUESTING THE ITR14 RETURN

- When the company has not updated their details, the legal entity data of a company (incl. public officer particulars, company address/contact details and bank account details) must be verified and updated on a separate form before requesting an ITR14 return on eFiling.
- To verify and update legal entity details, taxpayers can:
  - Click on "**Maintain SARS Registered Details**" on eFiling.
  - Visit a SARS branch.
- For bank account and public officer updates, the required supporting documents (relevant material) must be presented at the SARS branch.
- Please refer to the guide "How to Complete the Registration Amendments and Verification form (RAV01) – External Guide" available on [www.sars.gov.za](http://www.sars.gov.za)
- An ITR14 return can be requested:
  - Electronically by using the SARS eFiling platform.
- **Note:**
  - The ITR14 return cannot be requested through the SARS Contact Centre since the ITR14 return will not be emailed or posted to a taxpayer.
  - SARS no longer issue blank copies of the ITR14 return.
    - An example of the ITR14 return is attached to this guide and available on the SARS website: [www.sars.gov.za](http://www.sars.gov.za), designed to assist with the information required to complete the ITR14 return.
    - Please note that the published ITR14 return example may not be submitted to SARS.

## 7 COMPLETING THE ITR14 RETURN

- The Company Representative/Public Officer must refer to the below Annexure applicable to the company type for completion of the ITR14 return:
  - **Annexure A - Dormant Company**
  - **Annexure B - A Body Corporate, Share Block Company or Micro Business**
  - **Annexure C - Small Business**

▫ **Annexure D - Medium to Large Business**

- **Note:** For the administrative penalties for non-compliance in terms of income tax return submission refer to GG 41996 Notice 1175 issued by the Commissioner. An automated process of imposing and issuing of administrative penalties for active companies has been implemented.

## 8 SUBMITTING THE ITR14 RETURN

- An ITR14 return can be submitted electronically by using the SARS eFiling platform.
- **Note:**
  - In the case where the ITR14 is submitted at a SARS branch, the SARS agent in the branch will not assist with the interpretation of the financial statements or other information and will only capture the information completed by the Company Representative/Public Officer. SARS recommends that you consult a registered tax practitioner of your choice should you require assistance with interpretation of the financial statements or are unable to complete the ITR14 return using the guide and the example of the ITR14 return on the SARS website.
  - If the financial information has not been prepared for capturing or the required supporting documents (relevant material) is not available, the SARS agent will not be able to assist.
  - The Company Representative/Public Officer's login will serve as authentication for the ITR14 return submission on eFiling. However, if the ITR14 return is requested at a SARS branch, the Company Representative/Public Officer must sign the signature pad that will be presented by the SARS agent.
  - As part of the Go-Green initiative to decrease the use of paper, agents at the SARS branch no longer print a copy of the ITR14 return submitted for the taxpayer. A copy of ITR14 return will only be printed when the signature pad is not working and a manual signature of the captured data is required for back scanning. This will be the only exception.
- For Small Businesses and Medium to Large Businesses, the submission of signed off supporting Annual Financial Statement (AFS) is compulsory. For all other companies, it is optional. The AFS must at a minimum contain the following:
  - Income Statement;
  - Balance Sheet;
  - Notes to the AFS.
- The Company Representative or Public Officer must sign the AFS. If the AFS of the Company is in draft format at the time of submission of the return, the onus will be on the signatory of the draft AFS (i.e. Company Representative/Public Officer) to decide whether or not to submit the return or wait until the AFS are finalised.
- All supporting documents (relevant material) must be retained for a period of five years from the date of submission of the ITR14 return to SARS and must be submitted to SARS on request. If a taxpayer is undergoing an audit, inspection, verification or criminal investigation or, the taxpayer has lodged an objection or appeal, the relevant records must be retained until such audit, investigation, objection or appeal is concluded or the assessment or decision becomes final.
- The following schedules available on [www.sars.gov.za](http://www.sars.gov.za) must be completed and attached to the ITR14 return as supporting documents where applicable:

- A company that conducted short term insurance activities must complete the ICS01 Short term insurance schedule
- A company that conducted mining activities must complete the GEN-001 Mining schedule.
  - **Note:** Mining schedule (GEN-001 Mining schedule) has been updated to reflect the latest requirements.
- A company that elects to be a headquarter company must complete the RCH01 Schedule and attach the supporting document for companies electing to be a Headquarter Company.
- A controlled foreign company should complete the IT10A/B Controlled Foreign Company (CFC) return:
  - "IT10A – Controlled Foreign Company (CFC) – prior 2012" is applicable for years of assessment commencing prior to 1 April 2012.
  - "IT10B – Controlled Foreign Company (CFC) – 2012 onwards" is applicable for years of assessment commencing on or after 1 April 2012.
    - **Note:** The law requires that if a resident alone or together with any connected person directly or indirectly, hold at least 10% participation rights in any CFC must submit the IT10 return, therefore Controlled Foreign Companies are no longer restricted to only submit IT10 for 10 companies, they must submit IT10A/B forms as supporting documents with the ITR14 return.
  - The IT10 return has been updated to accommodate SARS bandwidth limitation. The IT10A/B forms must be completed and retained for a period of five (5) years after the date of submission of the ITR14 return.
  - The information required on the IT10A/B forms can be submitted in a consolidated schedule if all the required data on the form template on the SARS website has been incorporated in the schedule.

## 9 REQUEST FOR CORRECTION

- The taxpayer will be able to perform a subsequent submission of an ITR14 return (Request for Correction) electronically by using the SARS eFiling platform.
  - **Note:**
    - On subsequent submission of the ITR14 return, the submission of the AFS is optional.
    - The Company Representative/Public Officer will only be able to capture or perform a Request for Correction (RFC) on the ITR14 return. The return will be pre-populated with the most recent ITR14 return information submitted and a new version number will be allocated.
- If a RFC is requested for a return submitted in the old format, eFiling will display a message when opening the old IT14 return that the form will be converted to the new ITR14 return for completion. This new version return will only be pre-populated with minimal data that could be transferred from the old format return. The pre-populated data should therefore be verified carefully and the missing information should be captured on the new return. Once a RFC has been submitted, no action can be taken on the previous version, as it will be replaced by the new version.
- **Note:**
  - A RFC will not be allowed by SARS under the following circumstances:
    - The prescribed period to amend an assessment has passed;
    - There is a dispute in progress;
    - An audit case has been finalized for the same year of assessment;
    - A revised declaration or agreed estimate was performed by SARS for the company for the same year of assessment;

- The requested IT14SD or supporting document(s) has been submitted by the taxpayer after a compliance audit case was created for the same year of assessment.
- An active Limited/Full scope audit case exist for the same year of assessment.

## 10 ANNEXURE A – DORMANT COMPANY

- A dormant company is classified as a company that was not actively trading and/or did not receive any income or incur any expenses during the year of assessment (If the company traded during any part of the year of assessment the company will not be regarded as a dormant company).

### 10.1 INFORMATION TO CREATE RETURN (Form Wizard)

- The first page contains a number of questions to customise the ITR14 return and is applicable to all company types.
- All questions on this page must be completed before commencing with the completion of the return. Depending on the answer provided to each question, subsequent questions might be displayed on this page.
- **Note:** If any of the questions on this page are changed after the commencement of the completion of the return, it may result in the following:
  - Existing sections on the return may be removed/deleted. The form will display a warning message to alert the taxpayer of any potential loss of data captured.
  - Additional sections may be displayed on the return for completion.

#### 10.1.1 REGISTERED DETAILS

- **Have the banking, public officer and contact details of the company been verified and confirmed as correct?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, the *Dormant; Company Type, Capital Gain/Loss Transactions; Voluntary Disclosure Programme* sections in the “Information to create this income tax return” page will display additional questions for customisation of the return.
  - If **“No”** is selected, the user will not be able to submit the return and have to update the legal entity information in the Maintain SARS Registered Details section on eFiling.

#### 10.1.2 DORMANT

- **Is the company dormant?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected the next question will be displayed.
    - **Did the company become dormant / inactive during the year of assessment?**
      - **“Yes”** or **“No”** must be selected.
      - If **“Yes”** is selected, the Company will not be regarded as a Dormant Company and the Company Type will display.
      - If **“No”** is selected, the following question will be displayed:
        - **Specify the movement in assets, liabilities and/or reserves.**

- The value in Rands representing the total amount realised from the “movement in assets, liabilities and/or reserves” must be completed on the field provided:
    - If the value captured is greater than R5 million, the form container for ‘Balance Sheet for Small Business/Dormant Companies’ will be displayed on the form for completion.
  - If “No” is selected, the company will not be regarded as a Dormant company and the **Company Type** questions will be displayed.

### 10.1.3 COMPANY TYPE

- **Is the company a body corporate established in terms of the Sectional Titles Act or a share block company defined in the Share Blocks Control Act as referred to in s10(1)(e)?**
  - **Yes** or **No** must be selected.
  - If **Yes** is selected, the content of the income tax return will also be expanded to display the following containers for completion:
    - Balance Sheet;
    - Income Statement;
    - Tax Computation.
  - If **No** is selected:
    - **Specify the gross income (sales/turnover plus other income) in respect of the year of assessment**
      - Complete the gross income in Rands. The gross income referred to in this question must be calculated as the sum of “Sales/Turnover” declared under “Gross Profit/Loss” and all income items declared under “Income Items” in the Income Statement.
    - **Specify the total assets (current and non-current) of the company in respect of the year of assessment**
      - If the gross income specified in the previous question does not exceed R1 million and the total assets does not exceed R5 million, the company will be classified as a Micro business.
- **Return Type:** This field is pre-populated depending on the answers provided for the Dormant Company and Sectional title or Share Block Company questions, including the amounts entered in the “Specify the gross income (sales/turnover plus other income) in respect of the year of assessment” and “Specify the total assets (current and non-current) of the company in respect of the year of assessment” fields above with one of the following return types:
  - Dormant
  - Body Corporate/Share Blocks *or* Micro business
  - Small Company
  - Medium Company to Large Company

### 10.1.4 CAPITAL GAIN/LOSS TRANSACTIONS

- **Did the company have any transactions or events which resulted in a locally sourced capital gain or loss (including crypto asset(s))?**
  - **Yes** or **No** must be selected.
  - If **Yes** is selected, the section for ‘*Schedule of Local Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.

- **Did the company have any transactions or events which resulted in a foreign sourced capital gain/loss (including crypto asset(s))?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the section for ‘*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.

#### 10.1.5 VOLUNTARY DISCLOSURE PROGRAMME

- **Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the ‘*Voluntary Disclosure Programme*’ section will be displayed for completion.

#### 10.1.6 SPECIAL ECONOMIC ZONES

- This section has been introduced into the return from the 2017 year of assessment onwards.
  - **Is the company a qualifying company as defined in s12R?**
    - **Select “Yes” or “No”.**
    - If “Yes” is selected, the Special Economic Zones (SEZ) section in the income tax return will be displayed for completion.

#### 10.1.7 TAX CREDITS

- **Note:** This will display where the company became dormant during the year of assessment.
- For ITR14 returns from 2019 form year onwards, companies not allowed to manually capture PAYE credits and be able to submit ITR14 returns with pre-populated IRP5 Information. If additional IRP5 certificates need to be declared, the ITR14 return must be submitted at the SARS branch where the SARS user will be able to capture the additional IRP5 certificates.
- **Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**
  - SARS will pre-populate the amount of IRP5’s.
- **Specify the number of IRP5 tax certificates**
  - SARS will pre-populate the amount of IRP5’s.
  - **Note:** When the company submits more than 20 IRP5’s, the 19<sup>th</sup> prepopulated IRP5 will be reflected on the ITR14 and 20<sup>th</sup> IRP5 will be consolidated on the total PAYE credits.
- **Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat(1A) and/or a treaty?**
  - “Yes” or “No” must be selected. If “Yes” is selected, the *Foreign Tax credits: Taxable Foreign Sourced Income of Resident Companies – s6quat(1A) (excluding foreign capital gain/loss)* section in the income tax return will be displayed for completion.
- **Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment in terms of s6quin?**

- “**Yes**” or “**No**” must be selected. If “Yes” is selected, the *Foreign Tax Credits Refunded/Discharged* section in the income tax return will be displayed for completion.
- **Will the company be claiming a deduction on SA sourced trading income i.t.o s6quat(1C)?**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  - **Select “Yes” or “No”**
  - If “Yes” is selected, the “*Deduction i.t.o. s6quat (1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income*” section will be displayed for completion.

#### 10.1.8 CUSTOMS INFORMATION

- **Is the company registered/licensed for customs purposes?**
  - Select either “**Yes**” or “**No**”.
  - If “Yes” is selected, the following question ‘*Indicate the number of customs client codes allocated to this company*’ will be displayed for completion.
- **Indicate the number of customs client codes allocated to this company**
  - Complete the number of customs client codes allocated to this company.

#### 10.2 COMPLETION OF RETURN – DORMANT COMPANY

- Once all the questions on the “**Information to create this income tax return**” page of the ITR14 return have been completed the return information must be completed as follows:

##### 10.2.1 COMPANY/CLOSE CORPORATION PARTICULARS

- The following read-only fields will be pre-populated in the Company / Close Corporation Particulars container:
  - Tax Reference number;
  - Year of Assessment;
  - Registered Name;
  - Trading Name;
  - Company/CC registration number;
  - Financial year-end (CCYYMMDD).
- Please complete the following fields:
  - **Is this return in respect of a branch/permanent establishment/agency of a foreign company?**
    - “**Yes**” or “**No**” must be selected.
  - **Please indicate where the majority of the company’s taxable income/loss is derived from.** Select the relevant option from the following list:
    - Eastern Cape.
    - Free State.
    - Gauteng.
    - Kwa-Zulu Natal.
    - Limpopo.
    - Mpumalanga.
    - North West.



- Northern Cape.
- Western Cape.
- International.
- **Select the Standard Industry Code (SIC) applicable to the main activity of the Company**
  - A dropdown box with all the Standard Industry Codes (SIC) will be displayed. Access the Standard Industry Codes (SIC) booklet on [www.statssa.gov.za](http://www.statssa.gov.za). Ensure that the correct SIC code is selected for the company.
- **State the profit code of your main source of income**
  - A pop-up list with all the main source of income codes will be displayed.
    - **Note:** If the company is dormant this field will be pre-populated with code 9994 and locked. Access the following main source codes by entering “Find a source code” on the SARS website [www.sars.gov.za](http://www.sars.gov.za).
- **If the profit code is “other not specified”, please provide a description**
  - If the profit code of your main source of income ends with ‘98’, this is a mandatory free text field (maximum length 56 characters).

### 10.2.2 TAX PRACTITIONER DETAILS (IF APPLICABLE)

- **Registration number.**
  - Complete the tax practitioner’s registration number (alphanumeric field of 9 characters). The first two characters must start with “PR”.
- **Tel number.**
  - Complete the Telephone number (numeric field of 15 characters).
- **Tax Practitioner Email address.**
  - Complete the email address (free text field of 52 characters).
- **Mark here with an “X” if you declare that you do not have an email address.**
  - If you don’t have an email address, indicate this by selecting the field “*Mark here with an ‘X’ if you declare that you do not have an email address*”. The email address field will be locked and greyed out.

### 10.2.3 DORMANT COMPANY DETAILS (APPLICABLE TO DORMANT COMPANIES ONLY)

- **What is the reason for dormancy?**
  - Select the applicable reason for dormancy from the dropdown box.
- **Is the company acting as, or carrying on the activities, of a nominee?**
  - This field is applicable from the 2016 year of assessment onwards.
  - Complete the question by selecting either “**Yes**” or “**No**”.
  - If “**Yes**” is selected the following question will be mandatory on the form for completion: ‘*Did the company receive any taxable passive income?*’
    - **Did the company receive any taxable passive income?**
      - This field has been introduced into the return from the 2016 year of assessment onwards.
      - Select either “**Yes**” or “**No**”.

- If “Yes” is selected, complete the ‘*Taxable Passive Income*’ field.
      - **Taxable passive income**
        - Complete the taxable passive income received by the company.
        - Source code 4290.
- **Is the company a party to any contract in terms of which it has undertaken to conduct any activity or hold any assets on behalf of another person during the current or a future year of assessment?**
  - Select “Yes” or “No”.

#### 10.2.4 VOLUNTARY DISCLOSURE PROGRAMME

- If “Yes” is selected to this question “**Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**” this section will only display on the return:
- **Please indicate the VDP application no. issued by SARS**
  - Complete the alphanumeric field. The first three characters must start with “VDP”. No spaces or dashes should be entered when completing the VDP Application No.

#### 10.2.5 DECLARATION

- **Note:**
  - Complete the date in the format (CCYYMMDD).
  - The Company Representative/Public Officer’s login will serve as the authentication for the ITR14 return submission on eFiling.
  - The Public Officer/Representative must sign the signature pad when the ITR14 return is submitted at a SARS branch.
  - The ITR14 return is a legal declaration to SARS and by signing, you agree that the information is accurate.  
You are obliged to ensure that a full and accurate disclosure is made of all relevant information as required in the ITR14 return. Misrepresentation, omission or negligence in submitting a declaration or supplying false information may result in prosecution.

#### 10.2.6 SPECIAL ECONOMIC ZONE (SEZ)

- The Special Economic Zone tax incentive was introduced in an effort to improve governance, streamline procedures, provide more focused support for businesses operating in these special economic zones, and to replace the Industrial Development Zones tax incentive mainly to encourage higher levels of investments in the economic zones.
- Qualifying companies operating within the SEZ are taxed at 15% as compared to the 28% of corporate income tax
- A “qualifying company” operating in a Special Economic Zone will be disqualified from the benefits of the incentive where the following is applicable:
  - The company conducts any activity (classified in the Standard Industrial Classification Code (SIC) code) referred to in s12R(4)(a) or (b), or
  - More than 20% of deductible expenditure is incurred or more than 20% of income is received/accrued in respect of transactions with a connected person in relation to the company (s12R(4)(c)).

- This container was introduced into the return from the 2018 year of assessment onwards. It will be displayed when the wizard question on Special Economic Zones **“Is the company a qualifying company as defined in s12R?”** was responded to as **‘Yes’**
- The following questions are mandatory and must be completed:
- **Is the company located in a Special Economic Zone(s) (SEZ’s)?**
  - Select either **“Yes”** or **“No”**. If **“Yes”** is selected, the following field will be displayed: **“Please select/de-select which Special Economic Zone(s) the company is located in?”**
- **Please select / de-select the Special Economic Zone(s) the company is located in”**
  - Coega SEZ;
  - Dube Trade Port SEZ;
  - East London SEZ;
  - Maluti-a-Phofung SEZ;
  - Richards Bay SEZ;
  - Saldanha Bay SEZ;
  - Other.
- If you selected **“Other”** as a Special Economic Zone(s), please list them in the field provided.
- Select either **“Yes”** or **“No”** to the following questions:
  - Is the business or services carried on or provided from a fixed place of business situated within a Special Economic Zone(s)?
  - Is at least 90% of the income of the company derived from the carrying on of business, or the provision of services within a special economic zone(s)?
  - Does the company confirm that it does not conduct any of the activities specifically excluded for the purposes of s12R?
  - Does the company confirm that no more than 20% of deductible expenses incurred, nor more than 20% of income received or accrued, arises from transactions with any resident connected person in relation to the company or any non-resident connected person where those transactions are attributable to a permanent establishment of that connected person(s) in the Republic?
 

**Note:** The following new questions were added to the "Special Economic Zones" container and are mandatory from 2019 year of assessment and onwards:

    - Does the company confirm that it carried on a trade before 1 January 2013 in a location that is subsequently approved as a SEZ?
    - Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade is not previously carried on by the company or any connected person in relation to that company in the Republic?
    - Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade comprises of:
      - The production of goods not previously produced by the company or any connect person in relation to the company in the Republic;
      - The use of new technology in that company’s production processes; or
      - An increase in the production capacity of that company in the Republic?

## 10.2.7 BALANCE SHEET

- If the question “**Specify the movements in assets, liabilities and/or reserves**” exceeds R5 million, this section will only display on the return.
- **Note:** The figures to be used for completion are the figures reflected in the Annual Financial Statements (AFS) of the Company (not the group or consolidated AFS).
- All fields listed in this section are compulsory. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Non-current assets**
  - The following currency fields (15 characters) must be completed in Rands(No Cents):
    - Property, plant and equipment;
    - Vehicles (this field has been introduced into the return from the 2016 Year of Assessment (YOA) onwards);
    - Investments in associates and joint ventures;
    - Long term loans – interest bearing;
    - Long term loans – interest free;
    - Other non-current assets.
  - **Please provide descriptions relating to other non-current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other non-current assets*”. The maximum length is 150 characters.
  - **Total non-current assets:** This currency field (15 characters) will be calculated by SARS.
- **Current Assets**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Inventory and work in progress (net after provisions);
    - Trade and other receivables (excl. debtors) – net after provisions;
    - Debtors (excl. trade debtors);
    - Cash and cash equivalents;
    - Short-term investments;
    - Other current assets.
  - **Please provide descriptions relating to other current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other current assets*”. The maximum length is 150 characters.
  - **Total current assets:** This currency field (15 characters) will be calculated by SARS.
- **Capital and Reserves**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Non-distributable reserves;
    - Other capital and reserves.
  - **Please provide descriptions relating to other capital and reserves listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other capital and reserves*”. The maximum length is 150 characters.
  - If the company has a debit balance (assessed loss) then complete the "Non-distributable reserves"/"Other capital and reserves" field with a negative value (e.g. -10000).

- If the company has a credit balance then complete the "Non-distributable reserves"/"Other capital and reserves" field then complete this field with a positive value (e.g. 100000).
- **Total Capital and Reserves:** This currency field will be calculated by SARS.
- **Non-Current Liabilities**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Long-term loans;
    - Other non-current liabilities.
- **Please provide descriptions relating to other non-current liabilities listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other non-current liabilities*". The maximum length is 150 characters.
- **Total Non-Current liabilities:** This currency field (15 characters) will be calculated by SARS.
- **Current Liabilities**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Trade and other payables (including accruals);
    - Overdraft and interest bearing short-term borrowings;
    - Other current liabilities.
- **Please provide descriptions relating to other current liabilities listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other current liabilities*". The maximum length is 150 characters.
- **Total Current liabilities:** This currency field (15 characters) will be calculated by SARS.

## 10.2.8 LOCAL OR FOREIGN CAPITAL GAINS/LOSSES

- **Determining a capital gain or a capital loss**
- The Proceeds (selling price of the asset - Part VI of the Eighth Schedule) and the Base Cost (which includes the acquisition cost, improvement cost and direct cost in respect of the acquisition and disposal of the asset - Part V of the Eighth Schedule) must be completed to calculate the capital gain or loss.
- **Note:**
  - Refer to Annexure E for the main asset type source codes.
  - The amount declared must be prior to the application of the inclusion rate as this will programmatically be applied by SARS during the assessment process.
  - Even numbered codes refer to gains and uneven numbered codes refer to losses.
- **Schedule of local / foreign capital gains and losses in respect of disposable assets (including crypto assets)**
  - If "Yes" is selected to the question "**Did the company have any transactions or events which resulted in a locally/foreign sourced capital gain or loss (including crypto assets)?**" The "Schedule of Local/ Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)" section will only display on the return.

- **Note:** At least one row in this schedule must be completed. If one of the fields in a row is completed with a value, then all the fields in that specific row must be completed.
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Proceeds;
  - Base Cost;
  - Exclusion/Roll-over;
  - Local / Foreign Capital Gain/Loss (automatically calculates).
- **Number of Transactions:** Numeric field, complete the number of transactions.
- **Main Asset Type Source Code:**
  - Select the applicable Main Asset Type Source Code from the dropdown box.
  - Refer to Annexure E - Local Assets to complete this numeric field.
  - A source code ending in an even number represents a capital gain and a source code ending in an uneven number represents a capital loss.
- A person's capital loss determined in respect of the disposal of an asset to a connected person is treated as a '*clogged*' loss.
  - In other words, the capital loss is ring-fenced and may be set off only against capital gains arising from disposals to the same connected person.
  - Whether a capital loss will be ring-fenced will depend on the relationship between the parties at the relevant point in time.
- A person must disregard any capital loss determined in respect of the disposal of an asset to a connected person.
  - Capital losses of this nature are 'clogged' (ring-fenced).
  - One of the reasons for determining the relationship immediately after the disposal is that in some cases the relationship is established only after the transaction.
  - This situation typically occurs, for example, in an asset-for-share swap under which one person disposes of an asset to a company in exchange for shares in that company.
- **Add: Clogged losses included in amounts listed above to be carried forward (p 39 of the Eight Schedule):**
  - This field has been introduced into the return and is mandatory from 2014 year of assessment onwards.
  - For prior years it is optional. If this field is not applicable to the company, complete the field with R0 (zero rand).
  - This currency field must be completed with the relevant amount. Note that clogged losses are not assessed losses carried forward by the SARS system.
- **Less: Prior year clogged losses brought forward and deductible from capital gains listed above derived from same connected person (p 39 of the Eighth Schedule)**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards.
  - If this field is not applicable to the company, complete the field with R0 (zero rand).
- Note that a clogged loss brought forward from a previous year may be set off only against capital gains arising in the current year with the same connected person. In addition, the clogged loss must be limited to the amount of such capital gains. If the clogged loss exceeds the gain the excess must be carried forward.

- **Less: Claw back of the portion of capital gains in terms of the provisions of s45(5).**
  - This field has been introduced into the return and is mandatory and applicable from the 2016 year of assessment onwards.
  - Source code for local (4256) and for foreign (4252).
  
- **Claw back definition**
  - Where a transferee company disposes of an asset within 18 months after acquiring the asset in terms of an intra-group transaction; and
    - The asset constitutes a capital asset, so much of the capital gain determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at the time, may not be taken into account in determining the net capital gain or assessed capital loss of the company. This amount, multiplied by the inclusion rate as contemplated in par. 10 of the Eighth Schedule, is a taxable capital gain that must be taken into account and may not be set off against any assessed loss or balance of assessed loss of the company (s45(5)(a)(i)).
    - The asset constitutes a capital asset, so much of the capital loss determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at that time, must be disregarded in determining the aggregate capital gain or loss of the transferee company. The amount of the capital loss so disregarded may be deducted from any capital gain determined in respect of the disposal of any other asset acquired by the transferee company from the transferor company in terms of an intra-group transaction (s45(5)(a)(ii)).
  
- **Aggregate Gain:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number).
  - Either an aggregate gain or aggregate loss applies. If an aggregate gain applies, the aggregate loss field is not applicable. If the net figure is R0 (zero), then this value applies to the aggregate gain field.
  - Source code for local (4250) and for foreign (4252).
  
- **Aggregate Loss:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate loss applies, the aggregate gain field is not applicable. Source code for local (4251) and for foreign (4253).
  
- **Note:** In the “*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*”, this field will be displayed:
  - **Foreign tax credit in respect of Capital Gains (Rand value only):** This currency field (15 characters) must only be completed if a value exceeding R0 (zero) was calculated in the field Aggregate Gain or Aggregate Loss. Source code 4114.

## 11 ANNEXURE B – BODY CORPORATE/SHARE BLOCK COMPANY/MICRO BUSINESS

- **Share Block Company** – A Share Block Company is defined in s1 of the Share Blocks Control Act, 1980 (Act 59 of 1980).
- **A Body Corporate** – A Body Corporate is defined in s1 of the Sectional Titles Act, 1986 (Act 95 of 1986).
- **Micro Business** – A Micro Business is classified as a company with a gross income (sales/turnover plus other income) not exceeding R1 million and total assets (current and non-current) not exceeding R5 million, and that is not classified as a Body Corporate/Share Block Company.
- **Note:**
  - Any qualifying micro businesses may elect to be registered for Turnover Tax. By answering the Quick test for close corporations, companies and co-operatives questions on [www.sars.gov.za](http://www.sars.gov.za), the Company Representative/Public Officer will be able to determine if a business meets the criteria to qualify for Turnover Tax registration. If any one of the questions is “**NO**”, the business will not qualify for Turnover Tax registration for that year of assessment.
  - If the micro business elects to be registered for Turnover Tax, a TT03 must be completed instead of an ITR14 return for a micro business.
    - Any micro business may also qualify as a Small Business corporation if the requirements of s12E are met, and the micro business is not registered for Turnover Tax.

### 11.1 INFORMATION TO CREATE RETURN FOR BODY CORPORATE / SHARE BLOCK COMPANY / MICRO BUSINESS

- The first page contains a number of questions to customise the ITR14 return and is applicable to all company types.
- All questions on this page must be completed before commencing with the completion of the return. Depending on the answer provided to each question, subsequent questions might be displayed on this page.
- **Note:** If any of the questions on this page are changed after the commencement of the completion of the return, it may result in the following:
  - Existing sections on the return may be removed/deleted. The form will display a warning message to alert the taxpayer of any potential loss of data captured.
  - Additional sections may be displayed on the return for completion.

#### 11.1.1 REGISTERED DETAILS

- **Have the banking, public officer and contact details of the company been verified and confirmed as correct?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the *Dormant; Company Type, Capital Gain/Loss Transactions; Voluntary Disclosure Programme* sections in the “Information to create this income tax return” page will display additional questions for customisation of the return.
  - If “**No**” is selected, the user will not be able to submit the return and have to update the legal entity information in the Maintain SARS Registered Details section on eFiling.



### 11.1.2 DORMANT

- **Is the company dormant?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected the next question will be displayed.
    - **Did the company become dormant / inactive during the year of assessment?**
      - “Yes” or “No” must be selected.
      - If “Yes” is selected, the Company will not be regarded as a Dormant Company and the Company Type will display.
      - If “No” is selected, the following question will be displayed:
        - **Specify the movement in assets, liabilities and/or reserves.**
          - The value in Rands representing the total amount realised from the “movement in assets, liabilities and/or reserves” must be completed on the field provided:
          - If the value captured is greater than R5 million, the form container for ‘Balance Sheet for Small Business/Dormant Companies’ will be displayed on the form for completion.
  - If “No” is selected, the company will not be regarded as a Dormant company and the **Company Type** questions will be displayed.

### 11.1.3 COMPANY TYPE

- **Is the company a body corporate established in terms of the Sectional Titles Act or a share block company defined in the Share Blocks Control Act as referred to in s10(1)(e)?**
  - **Yes** or “No” must be selected.
  - If “Yes” is selected, the content of the income tax return will also be expanded to display the following sections for completion:
    - Balance Sheet;
    - Income Statement;
    - Tax Computation.
  - If “No” is selected, the next question will be displayed:
    - **Specify the gross income (sales/turnover plus other income) in respect of the year of assessment?**
      - Complete the gross income in Rands. The gross income referred to in this question must be calculated as the sum of “Sales/Turnover” declared under “Gross Profit/Loss” and all income items declared under “Income Items” in the Income Statement.
    - **Specify the total assets (current and non-current) of the company in respect of the year of assessment?**
      - If the gross income specified in the previous question does not exceed R1 million and the total assets does not exceed R5 million, the company will be classified as a Micro business.
- **Return Type:** This field is pre-populated depending on the answers provided for the Dormant Company and Sectional title or Share Block Company questions, including the amounts entered in the “Specify the gross income (sales/turnover plus other income) in respect of the year of assessment” and “Specify the total assets (current and non-current) of the company in respect of the year of assessment” fields above with one of the following return types:
  - Dormant
  - Body Corporate/Share Blocks **or** Micro business

- Small Company
- Medium Company to Large Company

#### 11.1.4 CAPITAL GAIN/LOSS TRANSACTIONS

- **Did the company have any transactions or events which resulted in a locally sourced capital gain or loss (including crypto asset(s))?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the section for ‘*Schedule of Local Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Did the company have any transactions or events which resulted in a foreign sourced capital gain/loss (including crypto asset(s))?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the section for ‘*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Has any debt been reduced for no consideration which has the effect of reducing the company’s assessed capital loss under p12A (4) of the Eighth Schedule?**
  - This field has been introduced into the return from 2015 year of assessment onwards.
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the following questions will be displayed ‘*Was the reduction for a local asset?*’ and ‘*Was the reduction for a foreign asset?*’
    - **Was the reduction for a local asset?**
      - This field has been introduced into the return from 2015 year of assessment onwards.
      - “Yes” or “No” must be selected.
      - If “Yes” is selected, the following section will be displayed for completion ‘*Reduction of Local Assessed Capital Loss due to Debt Reduction*’.
    - **Was the reduction for a foreign asset?**
      - This field has been introduced into the return from 2015 year of assessment onwards.
      - “Yes” or “No” must be selected.
      - If “Yes” is selected, the following section will be displayed for completion ‘*Reduction of Foreign Assessed Capital Loss due to Debt Reduction*’.

#### 11.1.5 VOLUNTARY DISCLOSURE PROGRAMME

- **Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the ‘*Voluntary Disclosure Programme*’ section will be displayed for completion.

#### 11.1.6 SMALL BUSINESS CORPORATION

- **Note:** This question will display for a Micro Business depending on the question asked in terms of the “Gross Income” and “Total Assets” of the company, NOT if the company is classified as a body corporate/share block company.

- **Is the company a Small Business Corporation as defined in s12E?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Small Business Corporation section* in the income tax return will be displayed for completion.

#### 11.1.7 SPECIAL ECONOMIC ZONES

- This section has been introduced into the return from the 2017 year of assessment onwards.
- **Is the company a qualifying company as defined in s12R?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Special Economic Zones (SEZ) section* in the income tax return will be displayed for completion.

#### 11.1.8 VENTURE CAPITAL COMPANY INVESTMENTS

- This section has been introduced into the return from the 2015 year of assessment onwards.
- **Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during the year of assessment?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, then ‘Specify the number of investments made in SARS approved Venture Capital Companies’ will be displayed for completion.
- **Specify the number of investments made in SARS approved Venture Capital Companies**
  - This field will require you to complete the number of investments made. Complete any number between 1 and 99.
  - A section on the income tax return will be displayed named ‘Investments in Venture Capital Companies (VCC): s12J’. This section may be repeated on the return to a maximum of 10 times. The Representative/Public Officer is required to complete in the fields provided, on the investments made. If he/she captured that the number of investments made to an approved VCC does not exceed ten, he/she must complete on the return required information on the investments made. Otherwise the Representative/Public Officer is required to complete information of the top ten investments made.

#### 11.1.9 DEDUCTION (s7F) IN RESPECT OF SARS INTEREST REPAYED

- This section will be introduced into the return from the 2020 year of assessment onwards.
- **Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the “Deduction (i.t.o. s7F) of Interest Repaid to SARS that was Previously Taxed, in terms of s7E” section will be displayed for completion.

### 11.1.10 DONATIONS (S18A)

- This section has been introduced into the return from the 2015 year of assessment onwards.
- **Does the company want to claim donations made to an approved organisation in terms of s18A?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected the following question will be displayed for completion:
- **Is the company a collective investment scheme?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, then the income tax return will display the following section for completion, ‘*Donations allowable in terms of s18A to approved organisations in respect of a Collective Investment Scheme*’.
  - If “**No**” is selected, the following question will be displayed for completion:
    - **How many organisations did the company donate to?**
- Complete any number between 1 and 99 of the organisation the company donated to.
- The ‘Donations allowable in terms of s18A to approved organisations’ section will be displayed to complete the details of the organisations where donations were made.

### 11.1.11 TAX CREDITS

- For ITR14 returns from 2019 form year onwards, companies will not be allowed to manually capture PAYE credits and will only be able to submit their ITR14 returns with pre-populated IRP5 Information. If additional IRP5 certificates need to be declared, the ITR14 return must be submitted at the SARS branch where the SARS user will be able to capture the additional IRP5 certificates.
- **Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**
  - SARS will pre-populate the amount of IRP5’s.
- **Specify the number of IRP5 tax certificates**
  - SARS will pre-populate the amount of IRP5’s.
  - **Note:** When the company submits more than 20 IRP5’s, the 19<sup>th</sup> prepopulated IRP5 will be reflected on the ITR14 and 20<sup>th</sup> IRP5 will be consolidated on the total PAYE credits.
- **Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat(1A) and/or a treaty?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the *Foreign Tax credits: Taxable Foreign Sourced Income of Resident Companies – s6quat(1A) (excluding foreign capital gain/loss)* section in the income tax return will be displayed for completion.
- **Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment in terms of s6quin?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the *Foreign Tax Credits Refunded/Discharged* section in the income tax return will be displayed for completion.

- **Will the company be claiming a deduction on SA sourced trading income i.to s6quat(1C)?**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the “*Deduction i.t.o. s6quat (1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income*” section will be displayed for completion.

#### 11.1.12 COMPANY INFORMATION

- **Note:** These questions will only display for a Micro Business depending on the amounts provided for “Gross Income” and “Total Assets” of the company, NOT if the company is classified as a body corporate/share block company.
- **Is the company a partner in a partnership/joint venture?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, complete the next question.
    - **How many partnerships/joint ventures?**
      - This field accepts numeric values between 1 and 99. Based on the numeric value entered in this field, the *Partnerships/Joint Ventures section* in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 50 was entered then 50 *Partnership* sections will display in the return for completion).
- **Is the company a Personal Service Provider as defined in the Fourth Schedule?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the “*Personal Service Provider*” container in the income tax return will be displayed for completion.
- **Is the company resident in South Africa for income tax purposes?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, complete the next question.
- **How many different classes of shares have been issued by the company?**
  - This field accepts numeric values between 1 and 100. Based on the numeric value entered in this field, the Contributed Tax Capital section in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 5 was entered then five Contributed Tax Capital sections will display in the return for completion) For Close Corporations, the definition of a “share” (any unit into which the proprietary interest in the company is divided) according to the Companies Act includes the members’ interest in a Close Corporation. Members’ interest therefore must be regarded as a class of share.
  - The distinction between different types of shares (e.g. ordinary, preference, redeemable etc.) must be declared separately. Furthermore, if the company has only issued one class of shares, for example, then a general description would be in order. However, if classes A, B and N ordinary shares have been issued then each class of ordinary share must be specified separately i.e. if there are shares with different rights for the different shareholders they must be declared separately.
  - If “**No**” is selected, complete the next question, the *Non-Residency section* in the income tax return will be displayed for completion.

- **Did the company cease to be a resident during this year of assessment?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Non-Residency* section in the income tax return will be displayed for completion. The field ‘Date on which the company ceased to be a resident’ must be completed.
  - This question has been introduced into the return from 2013 year of assessment onwards.
- **Did the company have transactions (including mining activities) relating to crypto assets (excluding CGT)?**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Crypto assets Transactions (Local / Foreign) (excluding CGT)* section will be displayed for completion.

### 11.1.13 CUSTOMS INFORMATION

- **Is the company registered/licensed for customs purposes?**
  - Select either “Yes” or “No”.
  - If “Yes” is selected, the following question ‘Indicate the number of customs client codes allocated to this company’ will be displayed for completion.
- **Indicate the number of customs client codes allocated to this company.**
  - Complete the number of customs client codes allocated to this company.

## 11.2 COMPLETION OF RETURN – BODY CORPORATE / SHARE BLOCK COMPANY / MICRO BUSINESS

- Once all the questions on the “Information to create this income tax return” page of the ITR14 return have been completed the return information must be completed as follows:

### 11.2.1 COMPANY/CLOSE CORPORATION PARTICULARS

- The following read-only fields will be pre-populated on the in the Company / Close Corporation Particulars container:
  - Tax Reference number;
  - Year of Assessment;
  - Registered Name;
  - Trading Name;
  - Company/CC registration number;
  - Financial year end (CCYYMMDD).
- Please complete the following fields:
  - **Is this return in respect of a branch/permanent establishment/agency of a foreign company?**
    - “Yes” or “No” must be selected.

- **Please indicate where the majority of the company’s taxable income/loss is derived from.** Select the relevant option from the following list:
  - Eastern Cape.
  - Free State.
  - Gauteng.
  - Kwa-Zulu Natal.
  - Limpopo.
  - Mpumalanga.
  - North West.
  - Northern Cape.
  - Western Cape.
  - International.
  
- **Select the Standard Industry Code (SIC) applicable to the main activity of the Company**
  - A dropdown box with all the Standard Industry Codes (SIC) will be displayed. Access the Standard Industry Codes (SIC) booklet on [www.statssa.gov.za](http://www.statssa.gov.za) Ensure that the correct SIC code is selected for the company.
  
- **State the profit code of your main source of income**
  - A pop-up list with all the main source of income codes will be displayed.
    - **Note:** If the company is dormant this field will be pre-populated with code 9994 and locked. Access the following main source codes by entering “Find a source code” on the SARS website [www.sars.gov.za](http://www.sars.gov.za).
    - **Note:** In the case of a Body Corporate company, source code 3018 must be selected if year of assessment is from 2003 and onwards, and for years prior to 2003, the source code must be 3008.
    - **Note:** In the case of a Share Block company, source code 3019 must be selected if year of assessment is from 2003 and onwards, and for years prior to 2003, the source code must be 3009.
  
- **If the profit code is “other not specified”, please provide a description**
  - If the profit code of your main source of income ends with ‘98’, this is a mandatory free text field (maximum length 56 characters).

#### 11.2.2 TAX PRACTITIONER DETAILS (If applicable)

- **Registration number.**
  - Complete the tax practitioner’s registration number (alphanumeric field of 9 characters). The first two characters must start with “PR”.
  
- **Tel number.**
  - Complete the Telephone number (numeric field of 15 characters).
  
- **Tax Practitioner Email address.**
  - Complete the email address (free text field of 52 characters).
  
- **Mark here with an “X” if you declare that you do not have an email address.**
  - If you don’t have an email address, indicate this by selecting the field “*Mark here with an ‘X’ if you declare that you do not have an email address*”. The email address field will be locked and greyed out.

### 11.2.3 DORMANT COMPANY DETAILS (Dormant Companies only)

- **What is the reason for dormancy?**
  - Select the applicable reason for dormancy from the dropdown box.
- **Is the company acting as, or carrying on the activities, of a nominee?**
  - This field has been introduced into the return from the 2016 year of assessment onwards.
  - Complete the question by selecting either “Yes” or “No”.
  - If “Yes” is selected the following question will be mandatory on the form for completion: ‘*Did the company receive any taxable passive income?*’
    - **Did the company receive any taxable passive income?**
      - This field has been introduced into the return from the 2016 year of assessment onwards.
      - The Representative/Public Officer is required to select either “Yes” or “No”.
      - If “Yes” is selected, complete the ‘*Taxable Passive Income*’ field.
        - **Taxable passive income**
          - Complete the taxable passive income received by the company.
          - Source code 4290.
- **Is the company a party to any contract in terms of which it has undertaken to conduct any activity or hold any assets on behalf of another person during the current or a future year of assessment?**
  - Select “Yes” or “No”.

### 11.2.4 VOLUNTARY DISCLOSURE PROGRAMME

- If “Yes” is selected to this question “**Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**” this section will only display on the return:
- **Please indicate the VDP application no. issued by SARS**
  - Complete the alphanumeric field. The first three characters must start with “VDP”. No spaces or dashes should be entered when completing the VDP Application No.

### 11.2.5 DECLARATION

- **Note:**
  - Complete the date in the format (CCYYMMDD).
  - The Company Representative/Public Officer’s login will serve as the authentication for the ITR14 return submission on eFiling.
  - The Public Officer/Representative must sign the signature pad when the ITR14 return is submitted at a SARS branch.
  - The ITR14 return is a legal declaration to SARS and by signing you agree that the information is accurate.  
You are obliged to ensure that a full and accurate disclosure is made of all relevant information as required in the ITR14 return. Misrepresentation, omission or negligence in submitting a declaration or supplying false information may result in prosecution.



### 11.2.6 NON-RESIDENCY

- If “No” is selected to this question “**Is the company resident in South Africa for income tax purposes?**”, This section will only display on the return.
- **Note:**
  - A company will be a non-resident if it is not incorporated, established or formed in South Africa and does not have its place of effective management in South Africa. The place of effective management in the case of a company is the place where it is managed on a regular or day-to-day basis by the directors or senior managers of the company, irrespective of where the overriding control is exercised, or where the board of directors meets.
  - Management by these directors or senior managers refers to the execution and implementation of policy and strategy decisions made by the board of directors. It can also be referred to as the place of implementation of the entity’s overall group vision and objectives.
- In both questions below, a “Yes” or “No” must be selected.
- **Is the company resident outside South Africa due to:**
  - Foreign incorporation (and not being effectively managed in SA)?
  - By virtue of a treaty to avoid double taxation?
- **Date on which the company ceased to be a resident:**
  - Complete the date of which the company ceased to be a resident. The format of the date should be as follows: (CCYYMMDD).

### 11.2.7 PERSONAL SERVICE PROVIDER

- In the “**Information to create this income tax return**” if “Yes” is selected to this question “**Is the company a Personal Service Provider as defined in the Fourth Schedule?**” This section of the return will only display.
- **Note:** A Personal Service Provider is any company (or trust) where services rendered on behalf of such company to a client of the company is rendered personally by any connected person (usually the shareholder or a relative of the shareholder) as defined in s1 in relation to such company and:
  - The person rendering the service would be regarded as an employee of the client, had such service been performed directly to the client; or
  - The person or company or trust rendering the service is subject to the control and supervision of the client as to the manner in which the duties are performed in rendering such service and must be mainly performed at the premises of the client; or
  - More than 80% of the income of the company is directly or indirectly derived during the tax year from one client of the company or any associated institution as defined in the Seventh Schedule;
  - If the company throughout the year of assessment employs three or more full-time employees who are on a full-time basis engaged in the business of such company of rendering any such service, other than any employee who is a shareholder or member of the company or is a connected person in relation to such person will not be regarded as a personal service provider.
- S23(k) is applicable to a Personal Service Provider and prohibits a deduction of the following expenses incurred:

- Legal expenses;
  - Bad debts;
  - Employers contribution to pension funds, provident funds or benefit funds;
  - Refunds of any amount, including voluntary awards, that are received or accrued for services rendered or to be rendered or any amount received or accrued for or by virtue of any employment or the holding of any office as was included in the taxable income of that person;
  - Refunds of restraint of trade payments;
  - Expenses in respect of premises;
  - Expenses for premises, finance charges, insurance, repairs and fuel and maintenance cost for assets where the premises or assets are used wholly or exclusively for the purposes of trade.
- **Was any service rendered on behalf of the company rendered by a connected person in relation to the company?**
  - “**Yes**” or “**No**” must be selected.
  - If “**No**” is selected, the company will not be regarded as a Personal Service Provider and a message will be displayed.
  - If “**Yes**” is selected, complete the next question.
- **How many full-time employees are on a full-time basis engaged in rendering any service of the company, excluding those who are shareholders or members or are connected to such shareholder or member?**
  - If this value exceeds two, the company will not be regarded as a Personal Service Provider and a message will be displayed. If this value is not in excess of two, complete the next question.
- **Note:** All the questions below must be completed with a “**Yes**” or “**No**”. If any of the following three questions is “**No**”, the company will not be regarded as a Personal Service Provider and a message will be displayed.
  - Would the person who is personally rendering the service have been regarded as an employee of the client if the service was rendered directly to the client and not through the company?
  - Must the person who is rendering the service, perform the duties mainly at premises of the client, and if so, is that person subject to the control or supervision of the client as to the manner in which the duties are performed or are to be performed?
  - Does more than 80% of the income from services rendered by the company consist of or is likely to consist of amounts directly or indirectly received from any one client or from any associated institution in relation to the client”?
- **Were the necessary adjustments made in respect of expenses not allowable in terms of s23(k)?**
  - Select “**Yes**” or “**No**”

## 11.2.8 SMALL BUSINESS CORPORATION

- If “**Yes**” is selected to this question “**Is the company a Small Business Corporation as referred to in s12E?**” this section of the return will only display.
- **Note:** s12E(4)(a) makes a provision requires that a company will be a Small Business Corporation if:

- The taxpayer is incorporated within South Africa and is trading as either a close corporation, co-operative or private company;
  - All the holders of the shares in the company, close corporation or co-operative are, at all times, must be natural persons;
  - The gross income of the company, close corporation or co-operative does not exceed R20 million during the year of assessment;
  - The personal service income and investment income, collectively, does not exceed 20% of the total receipts and accruals (excluding capital receipts but including capital gains; and
  - The company is not a personal service provider.
- **State the gross income, as defined in s1, of the company**
  - Complete the gross amount;
  - For Financial Year End prior to 20130430 (CCYYMMDD) onwards. the gross income should not be in excess of R14 million - if it is in excess of R14 million the business will not qualify as a Small Business Corporation;
  - For Financial Year End on or after 20130430(CCYYMMDD) onwards, the gross income should not be in excess of R20 million - if it is in excess of R20 million the business will not qualify as a Small Business Corporation.
- All the questions below must be completed with a “**Yes**” or “**No**”. If any of the answers to the following questions are “**No**” the company will not be regarded as a small business corporation and a message will be displayed.
  - **Does the company declare that not more than 20% of the total of all receipts and accruals (other than of a capital nature) and all capital gains of the company consists collectively of investment income and income from rendering a personal service?**
  - **Does the company declare that the company is not a Personal Service Provider as defined in the Fourth Schedule?**
  - **Does the company declare that all of the shareholders/members were natural persons (individuals) throughout the year of assessment?**
  - **Does the company declare that none of the shareholders/members of the company held shares/interests in another close corporation, company or co-operative other than those specified in s12(E)(4)(a)(ii)?**

#### 11.2.9 SPECIAL ECONOMIC ZONE (SEZ)

- The Special Economic Zone tax incentive was introduced in an effort to improve governance, streamline procedures, provide more focused support for businesses operating in these special economic zones, and to replace the Industrial Development Zones tax incentive mainly to encourage higher levels of investments in the economic zones.
- Qualifying companies operating within the Special Economic Zone are taxed at 15% as compared to the normal rate of 28% applicable to companies.
- A “qualifying company” operating in a Special Economic Zone will be disqualified from the benefits of the incentive where the following is applicable:
  - The company conducts any activity (classified in the SIC code) referred to in s12R(4)(a) or (b), or
  - More than 20% of deductible expenditure is incurred or more than 20% of income is received/accrued in respect of transactions with a connected person in relation to the company (s12R(4)(c)).

- This container has been introduced into the return from the 2018 year of assessment onwards. It will be displayed when the wizard question on Special Economic Zones “Is the company a qualifying company as defined in s12R” was responded to as ‘Yes’.
- The following questions are mandatory and must be completed:
- **Is the company located in a Special Economic Zone(s) (SEZ’ s)?**
  - Select either “**Yes**” or “**No**”. If “Yes” is selected, the following field will be displayed: “Please select/de-select which Special Economic Zone(s) the company is located in?”
- **Please select/de-select the Special Economic Zone(s) the company is located in**
  - Coega SEZ;
  - Dube Trade Port SEZ;
  - East London SEZ;
  - Maluti-a-Phofung SEZ;
  - Richards Bay SEZ;
  - Saldanha Bay SEZ;
  - Other.
- If you selected “Other” as a Special Economic Zone(s), please list them in the field provided.
- Select either “**Yes**” or “**No**” to the following questions:
  - **Is the business or services carried on or provided from a fixed place of business situated within a Special Economic Zone(s)?**
  - **Is at least 90% of the income of the company derived from the carrying on of business, or the provision of services within a special economic zone(s)?**
  - **Does the company confirm that it does not conduct any of the activities specifically excluded for the purposes of s12R?**
    - **Does the company confirm that no more than 20% of expenses incurred or income received or accrued do not arise from transactions with any resident connected person in relation to the company or any non-resident connected person where those transactions are attributable to a permanent establishment of that connected person(s) in the Republic?**

**Note: The following new questions were added to the "Special Economic Zones" container and are mandatory from 2019 year of assessment and onwards:**

  - **Does the company confirm that it carried on a trade before 1 January 2013 in a location that is subsequently approved as a SEZ?**
  - **Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade is not previously carried on by the company or any connected person in relation to that company in the Republic?**
  - **Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade comprises of:**
    - **The production of goods not previously produced by the company or any connect person in relation to the company in the Republic;**
    - **The use of new technology in that company’s production processes; or**
    - **An increase in the production capacity of that company in the Republic?**

#### **11.2.10 CRYPTO ASSET TRANSACTIONS (Local/Foreign) (Excluding CGT)**

- This section has been introduced into the return from the 2019 year of assessment onwards.

- **Were any transactions relating to crypto assets included in the income statement?**
  - Select “Yes” or “No”. If “Yes”, complete the field “*Gross crypto assets amount included in income statement*” field.
- **Did the transaction(s) relating to crypto asset(s) result in a profit?**
  - Select “Yes” or “No”.
    - If “Yes”, the “*Profit relating to crypto assets trading*” field will be available for completion.
    - If “No”, the “*Loss relating to crypto assets trading*” field will be available for completion.
- **Amount of crypto asset(s) included as assets in the Balance Sheet**
  - Complete the “*Amount of crypto assets included as assets in the Balance Sheet*” field.

### 11.2.11 BALANCE SHEET

- Use the figures reflected in the annual financial statements of the Company (not the group or consolidated annual financial statements).
- **Note: This balance sheet is for company type: body corporate/share block company as referred to in s10(1)(e), and micro businesses.**
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, complete a zero (0) for the field.
- **Assets**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Non-current assets - Property, plant and equipment;
  - Non-current assets – Vehicles (This field has been introduced into the return from the 2017 year of assessment onwards);
  - Non-current assets – Long-term loans;
  - Current assets – Inventory and work in progress (net after provisions);
  - Current assets – Trade and other receivables (net after provisions);
  - Current assets – Cash and cash equivalents;
  - Other assets.
- **Total assets:** This currency field (15 characters) is calculated by SARS.
- **Equity and Liabilities**
  - Complete the following currency fields (15 characters) in Rands (No Cents):
    - Total Equity (Capital and reserves);
    - Non-current liabilities – Long-term loans & provisions;
    - Current liabilities - Trade and other payables (including accruals);
    - Other equity and liabilities.
- If the company has a debit balance (assessed loss) for Total Equity (Capital and reserves) then complete this field with a negative value (e.g. -10000).

- If the company has a credit balance for Total Equity (Capital and reserves) then complete this field with a positive value (e.g. 100000).
- **Total equity and Liabilities:** This currency field will be calculated by SARS

### 11.2.12 INCOME STATEMENT

- Use the figures reflected in the annual financial statement of the Company (not the group or consolidated annual financial statements).
- When completing the Gross Profit/Loss part of the return, the normal accounting, meaning attached to the terms reflected in the tax return, must be followed. In the event that a company does not have any cost of sales, for example a property rental company, the turnover and gross profit will be the same amount.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, complete a zero (0) for the field.
- **Gross Profit/Loss**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Sales (Turnover);
    - Less: Cost of sales
- **Gross profit – subtotal:** This currency field (15 characters) will be calculated by SARS. Either a gross profit or gross loss applies. If a gross profit applies, the gross loss field is not applicable. If the net figure is R0 (zero), then this value applies to the gross profit field.
- **Gross loss – subtotal:** This currency field (15 characters) will be calculated by SARS. Either a gross profit or gross loss applies. A loss is indicated as a positive value in the gross loss field.
- **Income Items (Only credit amounts)**
  - Complete the following currency fields (15 characters) in Rands (No Cents):
    - Interest (excluding SARS interest (s7E));
      - This field has been introduced into the return from the 2019 year of assessment onwards.
    - SARS Interest (s7E);
      - This field has been introduced into the return from the 2019 year of assessment onwards.
    - REIT distributions received;
    - Accounting profit on disposal of fixed assets and/or other assets;
    - Bad and doubtful debts recovered;
    - Dividends(local and foreign) deemed to be income(s8E and s8EA);
    - Tainted Dividends (local and foreign) deemed to be income (s22B);
    - Levy income;
    - Government grants(national, provincial and local);
    - Other income.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.
- **Expense Items (Only debit amounts)**
  - Complete the following currency fields (15 characters) in Rands (No Cents):
    - Accounting loss on disposal of fixed assets/other assets;
    - Bad debts written off;

- Depreciation;
  - Donations (s18A);
    - Field introduced into the return from the 2015 year of assessment onwards
    - When a value is entered in this field, the “Donations (s18A)” field under in the “Tax Computation, Adjustments: Added back for Micro Business /Body Corporate/Share block Companies” section will be pre-populated with the same value and locked.
  - Donations – Other;
    - This field has been introduced into the return and is mandatory from the 2015 year of assessment onwards.
    - If no donations were made during the year of assessment a zero should be completed.
    - When a value is entered in this field, the “Donations – other” field under in the “Tax Computation, Adjustments: Added back for Micro Business/Body Corporate/Share block Companies” section will be pre-populated with the same value and locked.
  - Municipal charges (electricity, water, sewerage, refuse, rates & taxes);
  - Provision for doubtful debts;
  - Salaries and wages (incl. directors’/members’ remuneration);
  - Repairs, maintenance, insurance, alterations and improvements;
  - Travelling expenses;
  - Other expenses (excluding expenses listed above).
- **Control Total:** This currency field (15 characters) will be calculated by SARS.
  - **Net Profit/Loss**
    - **Net Profit – Subtotal:** This currency field (15 characters) will be calculated by SARS. Either a net profit or net loss applies. If a net profit applies, the net loss field is not applicable. If the net figure is R0 (zero), then this value applies to the net profit field.
    - **Net Loss – Subtotal:** This currency field (15 characters) will be calculated by SARS. Either a net profit or net loss applies. A loss is indicated as a positive value in the net loss field.

### 11.2.13 TAX COMPUTATION

- In all instances where the accounting and tax treatment of items are different, the full accounting amount must be reversed and similarly the full tax treatment amount disclosed.
- Please take note of the following provisions in the Act:
- In terms of s18A, a deduction (subject to a 10% limit of taxable income) is allowed in respect of the sum of *bona fide* donations of cash or property in kind made by a taxpayer during the year of assessment to any:
  - Public benefit organisation (PBO) approved by the Commissioner under s30
  - Institution, board or body contemplated in s10(1)(cA)(i) and subject to the requirements listed in s18A(1)(a)(ii)(aa) and (bb)
  - PBO approved by the Commissioner under s30 which provides funds or assets to any other approved PBO, or to any institution, board or body contemplated in s10(1)(cA)(i)
  - Agency as contemplated in the definition of “specialised agency” in s1 of the Convention on the Privileges and Immunities of the Specialised Agencies, 1947, set out in Schedule 4 to the Diplomatic Immunities and Privileges Act, 2001 (Act 37 of 2001) subject to the provisions listed in s18A(1)(bA)(i), (ii) and (iii)

- Government spheres at a national, provincial or local levels are contemplated in s 10(1)(a) to be used for purposes of any activity referred to in Part II of the Ninth Schedule.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Adjustments: Added back**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Accounting interest paid/payable;
    - Accounting loss on disposal of fixed and/or other assets;
    - Capital expenditure and/or losses;
    - Depreciation according to financial statements;
    - Donations (s18A)
      - This field has been introduced into the return from the 2015 year of assessment onwards
      - This field will be prepopulated with the value entered in the matching field under 'Income Statement – Expense Items' section.
    - Donations – Other;
      - This field has been introduced into the return from the 2015 year of assessment onwards
      - This field will be prepopulated with the value entered in the matching field under 'Income Statement – Expense Items' section.
    - Doubtful debts;
    - Expenses attributable to exempt income and not actually incurred in production of income;
    - Expenditure incurred on or after 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J) exceeding R5 million;
    - Non-deductible provisions;
    - Reversal of previous year allowances/deductions granted;
    - Taxable amounts not declared in Income Statement (incl. recoupments);
    - Levy Income
    - Other Adjustments: Added Back (only include items not listed above).
- **Control Total:** This currency field (15 characters) will be calculated by SARS.
- **Adjustments: Allowable**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Accounting profit on disposal of fixed and/or other assets;
  - Exempt local dividends - applicable from the 2016 YOA onwards;
  - Receipts and/or accruals of a capital nature;
  - Reversal of provisions;
  - Levy exemption in terms of s10(1)(e)(i) (refer to guide);
    - This field is only applicable if the company is classified as a Body Corporate or Share Block Company. If the company is classified as a Micro Business, this field will be disabled/greyed out. S10(1)(e)(i) exempts any levy income received by or accrued to a Body Corporate / Share Block company from normal tax.
  - Other income exemption (excluding levy) in terms of s10(1)(e)(ii) (refer to guide);
    - This field has been introduced into the return from 2009 onwards if the company is classified as a Body Corporate or Share Block Company. If the company is classified as a Micro Business, this field will be disabled/greyed out. S10(1)(e)(ii) exempts from normal tax any receipts and accruals other than levy income derived by a Body Corporate/Share Block company to the extent that the aggregate of those receipts and accruals does not exceed R50 000.
  - Exemption in terms of s10(1)(yA)



- Wear and tear: s11(e);
  - Doubtful Debt Allowance:s11(j)
  - Doubtful Debt Allowance – IFRS applied (s11(j)(i))
  - Doubtful Debt Allowance – IFRS not applied (s11(j)(ii))
  - Depreciable Asset Allowance: s 11(o);
  - Plant and machinery where company qualifies as a SBC (Small Business Corporation): s12E: This field has been introduced into the return from the 2002 year of assessment onwards;
  - Expenditure incurred before 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J);
    - This field has been introduced into the return from 2019 year of assessment onwards, but will not be applicable from 2021 year of assessment.
  - Expenditure incurred on or after 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J)
    - If a value declared exceeds 5 million, a warning message will be displayed to indicate that “Please note that the amount claimed under “Expenditure incurred on or after 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J)” will be limited to R5 million. The amount exceeding R5 million has automatically been added as a credit adjustment in the “Tax Computation, Credit Adjustments” section of the return.”
    - This applies from the 2019 year of assessment and onwards.
  - Exempt income received or accrued in respect of government grants(s12P);
  - Other Adjustments: Allowable (only include items not listed above).
- **Control Total:** This currency field (15 characters) will be calculated by SARS.
- **Amounts to be Included in the Determination of Taxable Income before s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
  - The following note has been introduced into the return from the 2015 year of assessment:
    - Allowable s18A donations and related carry-overs will be calculated by SARS.
  - The following note has been introduced into the return from the 2019 year of assessment:
    - The information relating to s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
- **Amounts to be Included in the Determination of Taxable Income before the deduction of s7F SARS interest repaid, s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
  - The following note has been introduced into the return from the 2020 year of assessment onwards:
    - The information relating to s7F SARS interest repaid, s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
- **Calculated profit excluding net income from CFC (Controlled Foreign Company):** This currency field will automatically be calculated. Either a calculated profit or calculated loss applies. If a calculated profit applies, the calculated loss field and associated source code is not applicable. If the net figure is R0 (zero), then this value applies to the calculated profit.
  - **Source Code:** If a calculated profit applies, this source code is compulsory for completion. Numeric field, a dropdown box will be displayed. Alternatively the source code booklet will be available on [www.sars.gov.za](http://www.sars.gov.za).

- **Note:** The source code 3008/3009 (valid 1999 - 2002) or 3018/3019 (2003 onwards) for exempt organisations only applies to a body corporate / share block company where all income declared is exempt i.t.o. s10(1)(e). If any additional **taxable** income was declared in the income statement, a different source code relating to the nature of the taxable income portion not exempt i.t.o. s10(1)(e) must be selected.
- **Calculated loss:** This currency field (15 characters) will automatically be calculated. Either a calculated profit or calculated loss applies. If a calculated loss applies, the calculated profit field and associated source code is not applicable. A loss is indicated as a positive value in the calculated loss field.
  - **Source Code:** If a calculated loss applies, this field is compulsory for completion. Otherwise this field is not applicable. Numeric field, a dropdown box will be displayed. Alternatively the source code booklet will be available on [www.sars.gov.za](http://www.sars.gov.za).
- **Imputed net income from CFC:** This currency field must be completed in Rands (No Cents)). Source Code 4276.

#### 11.2.14 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS

- This section will be displayed if the Representative/Public Officer selected “**Yes**” to the question, ‘*Does the company want to claim donations made to an approved organisation in terms of s18A?*’

##### Solidarity Fund Donations (excl. any other Donations)

- **Total amount donated to the Solidarity Fund during 1 April 2020 to 30 September 2020.**
  - Complete the amount in rand value donated to the Solidarity Fund during 1 April 2020 to 30 September 2020 (source code 4055).
  - This is applicable for the 2020 and 2021 years of assessment only
- **PBO number**
  - Complete the reference number (PBO number).

##### Donations (excl. Solidarity Fund Donations Contributions)

- **Total amount donated during the year assessment**
  - Complete the amount in rand value donated to all approved organisations. If 10 or less organisation were donated to, this field will be auto-calculated by SARS.
- **Complete the details of the organisation(s) to whom donations were made:**
  - If the answer to the question ‘*How many organisations did the company donate to?*’ is ten or less, complete all the PBO numbers and amounts donated to the various organisations. The fields ‘**PBO number**’ and ‘**Amount donated to this organisation**’ will be repeated in the number of times indicated on the return to the question, ‘*How many organisation(s) did the company donate to?*’
- **Complete the details of the 10 organisations to whom donations with the highest monetary value were made**

- If the answer to the question '*How many organisations did the company donate to?*' is more than ten, complete only the PBO number and the amount donated.
- **PBO number**
  - Complete the reference number (PBO number).
- **Note:** If the PBO source code 4011 is less than 10 number of PBO captured on the Wizard, the fields will lock.
- When more than 10 PBOs is captured on Wizard, the form will auto calculate amount, a value more than total amount of the 10 pre-populated on the 4011 field will be displayed.
- **Amount donated to this organisation**
  - Complete in rand value the amount donated to the relevant organisation during the year of assessment.

#### **11.2.15 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS IN RESPECT OF A COLLECTIVE INVESTMENT SCHEME**

- This section will be displayed if the Representative/Public Officer selected "**Yes**" to the questions '*Is the company a collective investment scheme?*' and '*Does the company want to claim donations made to an approved organisation in terms of s18A?*'
- **Total amount donated during the year of assessment**
  - Complete the total amount donated in rand to approved organisation.
- **Average value of aggregate of all participatory interests held by investors in the portfolio**
  - Complete the average value of all participatory interests held by investors in the portfolio in rand value.

#### **11.2.16 INVESTMENTS IN VENTURE CAPITAL COMPANIES (VCC)**

- Government implemented a tax incentive for investors in selected enterprises through a VCC regime. VCCs are intended to be a marketing vehicle to attract retail investors. An investor is any taxpayer who qualifies to invest in an approved Venture Capital Company. There are no special tax benefits for the VCC, only standard tax rules will apply.
- From 1 January 2009, investors can claim expenditure incurred in exchange for the issue of VCC shares as a deduction from income in terms of s12J. This deduction will not be subject to recoupment if the VCC shares are held for longer than five years from 1 January 2015 (the same applies in respect of a return of capital where those shares are held for longer than five years from 1 January 2018). Secondary trades in VCC shares will not avail the investor of the same tax benefit.
- The list of all approved VCCs can be found on the SARS website ([www.sars.gov.za](http://www.sars.gov.za)).
- Any deduction that may be allowed in terms of s12J to a person who intends to or who makes an investment in SARS approved VCCs does not entitle that person to a tax directive under paragraph 11 of the Fourth Schedule.

- The deduction in terms of s12J is claimed in the Tax Computation – Special Allowances not claimed in the Income Statement section of the return. If the shares in respect of which a s12J deduction was claimed are sold within a period of 5 years, the recoupment must be declared in the Tax Computation – Recoupment of Allowances/Expenses previously granted.
- This section will display if company indicated that it made investments in VCC by selecting 'Yes' to the following question '*Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during this year of assessment?*'
- Only the expense incurred in exchange for the issue of shares will entitle the investor to the tax benefit. Where that original investor sells these shares to another person the tax benefit will NOT apply.
- Note that this section will be repeated in line with your answer to the question '*Specify the number of investments made in SARS approved Venture Capital Companies*'.
- Complete the amount invested in a Venture Capital Company before 21 July 2019 in exchange for the issue of shares during the year of assessment
  - Applicable from the 2019 year of assessment onwards
- Complete the amount invested in a Venture Capital Company on or after 21 July 2019 in exchange for the issue of shares during the year of assessment
  - Applicable from the 2019 year of assessment onwards
- Where your answer to the question '*Specify the number of investments made in SARS approved Venture Capital Companies*' is greater than 10, complete the 10 investments in respect of which the largest (rand value) expense was incurred on the return.
  - **Name of SARS approved VCC**
    - Complete the name of the SARS approved VCC
  - **VCC number**
    - Complete the VCC number
  - **Date of issue of VCC shares (CCYYMMDD)**
    - Complete the date of issue of the VCC shares.
- **Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment**
  - Complete the amount in rand value invested in the VCC in exchange for the issue of shares.

#### 11.2.17 DEDUCTION (I.T.O. s7F)

- S7E was introduced to the IT Act and specified SARS interest (payable i.t.o. a tax Act) needs to be declared in the year that SARS paid the interest (and not when it accrued). SARS interest that is paid back subsequently can be claimed as a deduction in that year of assessment in terms of s7F (limited to the amount of SARS Interest declared in terms of s7E).
- This provision applies from the 2019 year of assessment onwards.
- This section will be displayed if the Representative/Public Officer selected "Yes" to the question '*Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?*'

- Complete the field “**Amount of SARS interest repaid that was previously taxed i.t.o.s7E**”
  - **Source code 4052**

#### 11.2.18 DEDUCTION I.T.O. s6quat(1C)

- This deduction is for Foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income
- If “**Yes**” is selected to this question “*Will the company be claiming a deduction on SA sourced trading income i.t.o. s6quat(1C)?*” this section of the return will only display with the following questions:
  - **Deduction i.t.o. s6quat(1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sources trade income**
    - This field has been introduced into the return from the 2019 year of assessment onwards.
    - Complete the relevant amount.
    - Source code 4053
  - **Did the company have a right of recovery other than a right of recovery i.t.o. mutual agreement procedure, or any entitlement to carry back losses arising during any previous year of assessment?**
    - Select “**Yes**” or “**No**”.
  - **Was the foreign tax amount refunded to the company during this year of assessment?** Select “**Yes**” or “**No**”
  - **Taxable income from SA sourced trade income taxed outside SA (before taking into account any allowable deductions i.t.o. s18A and s6quat(1C), as these deductions will be calculated by SARS)**
    - **Note:** This income must have been declared elsewhere in this return.
    - Complete the amount.
    - This field has been introduced into the return from the 2019 year of assessment onwards.

#### 11.2.19 LOCAL OR FOREIGN CAPITAL GAINS/LOSSES

- **Determining a capital gain or a capital loss**
- The Proceeds (selling price of the asset - Part VI of the Eighth Schedule) and the Base Cost (which includes the acquisition cost, improvement cost and direct cost in respect of the acquisition and disposal of the asset - Part V of the Eighth Schedule) must be completed to calculate the capital gain or loss.
- **Schedule of local / foreign capital gains and losses in respect of disposable assets (including crypto assets)**
  - The “Schedule of Local/ Foreign Capital Gains and Losses in respect of the disposal of assets” will only display on the return if the answer to the question “**Did the company have any transactions or events which resulted in a locally/foreign sourced capital gain or loss?**” in the “*Information to create this income tax return*” is “**Yes**”.
- **Note:** At least one row in this schedule must be completed. If one of the fields in a row is completed with a value, then all the fields in that specific row must be completed.

- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Proceeds;
  - Base Cost;
  - Exclusion/Roll-over;
  - Local / foreign Capital Gain/Loss (automatically calculates).
- **Number of Transactions:** Numeric field, complete the number of transactions.
- **Main Asset Type Source Code:** Refer to Annexure E - Local Assets to complete this numeric field. A source code ending in an even number represents a capital gain and a source code ending in an uneven number represents a capital loss.
- A person's capital loss determined in respect of the disposal of an asset to a connected person is treated as a '*clogged*' loss. In other words, the capital loss is ring-fenced and may be set off only against capital gains arising from disposals to the same connected person. Whether a capital loss will be ring-fenced will depend on the relationship between the parties at the relevant point in time.
- A person must disregard any capital loss determined in respect of the disposal of an asset to a connected person. Capital losses of this nature are 'clogged' (ring-fenced). One of the reasons for determining the relationship immediately after the disposal is that in some cases the relationship is established only after the transaction. This situation typically occurs, for example, in an asset-for-share swap under which one person disposes of an asset to a company in exchange for shares in that company.
- **Add: Clogged losses included in amounts listed above to be carried forward (p 39 of the Eight Schedule):**
  - This field has been introduced into the return and is mandatory from 2014 onwards. For prior years it is optional. If this field is not applicable to the company, complete the field with R0 (zero rand). This currency field (15 characters) must be completed with the relevant amount. Note that clogged losses are not assessed losses carried forward by the SARS system.
- **Less: Prior year clogged losses brought forward and deductible from capital gains listed above derived from same connected person (p 39 of the Eighth Schedule)**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards. If this field is not applicable to the company, complete the field with R0 (zero rand).
- Note that a clogged loss brought forward from a previous year may be set off only against capital gains arising in the current year with the same connected person. In addition, the clogged loss must be limited to the amount of such capital gains. If the clogged loss exceeds the gain the excess must be carried forward.
- **Less: Claw back of the portion of capital gains in terms of the provisions of s45(5).**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards. Source code for local (4256) and for foreign (4252).
- **Claw back definition:**
  - Where a transferee company disposes of an asset within 18 months after acquiring the asset in terms of an intra-group transaction; and

- The asset constitutes a capital asset, so much of the capital gain determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at the time, may not be taken into account in determining the net capital gain or assessed capital loss of the company. This amount, multiplied by the inclusion rate as contemplated in p 10 of the Eighth Schedule, is a taxable capital gain that must be taken into account and may not be set off against any assessed loss or balance of assessed loss of the company (s45(5)(a)(i)).
  - The asset constitutes a capital asset, so much of the capital loss determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at that time, must be disregarded in determining the aggregate capital gain or loss of the transferee company. The amount of the capital loss so disregarded may be deducted from any capital gain determined in respect of the disposal of any other asset acquired by the transferee company from the transferor company in terms of an intra-group transaction (s45(5)(a)(ii)).
- **Aggregate Gain:**
    - This currency field (15 characters) will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate gain applies, the aggregate loss field is not applicable. If the net figure is R0 (zero), then this value applies to the aggregate gain field. Source code for local (4250) and for foreign (4252).
  - **Aggregate Loss:**
    - This currency field (15 characters) will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate loss applies, the aggregate gain field is not applicable. Source code for local (4251) and for foreign (4253).
  - **Note:** In the “*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*”, this field will be displayed:
    - **Foreign tax credit in respect of Capital Gains** (Rand value only): This currency field (15 characters) must only be completed if a value exceeding R0 (zero) was calculated in the field Aggregate Gain or Aggregate Loss. Source code 4114.

#### 11.2.20 REDUCTION OF LOCAL ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will be displayed if “**Yes**” was selected on the return to the question ‘*Was the reduction for a local asset?*’
- **Amount of debt reduction**
  - If an amount is entered into field next to code 4254, the Local Assessed Capital Loss Carry Over amount on ITS will programmatically be reduced with the amount entered and limited to the amount available for Local Assessed Capital Loss Carry Over.

### 11.2.21 REDUCTION OF FOREIGN ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will be displayed if “**Yes**” was selected on the return to the question ‘*Was the reduction for a foreign asset?*’
- **Amount of debt reduction**
  - If an amount is entered into field next to code 4255, the Local Assessed Capital Loss Carry Over amount on ITS will programmatically be reduced with the amount entered and limited to the amount available for Local Assessed Capital Loss Carry Over.

### 11.2.22 PAYE CREDITS (EXCLUDING PROVISIONAL TAX)

- If “**Yes**” is selected to this question “**Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**” This section of the return will only display.
  - On eFiling, from 2019 year of assessment onwards, this container will be pre-populated and locked.
- **Note:**
  - The PAYE credits available section will be repeated according to the numeric value populated in the question “Specify the number of IRP5 certificates” field on the “Information to create this income tax return” page.
- The following fields must be completed for each “*PAYE Credits Available*” section:
  - **IRP5 certificate number:** This field is prepopulated from 2015 Year of Assessment (YOA) onwards
  - **PAYE Credit:** Enter the PAYE credit amount. This field has been introduced into the return from the 2015 Year of Assessment (YOA onwards), Source code 4102.

### 11.2.23 FOREIGN TAX CREDITS: TAXABLE FOREIGN SOURCED INCOME OF RESIDENT COMPANIES – S6QUAT(1A) (Exclusion of Foreign Capital Gain/Loss)

- If “**Yes**” is selected to this question “**Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat(1A) and/or a treaty?**” This section of the return will only display.
- During the assessment process the information in this section is used when calculating the allowable amount in foreign tax credits in terms of *s6quat*.
- **Relief from double taxation**
  - A South African resident is subject to normal tax on income derived worldwide (i.e. income derived from sources within and outside of the Republic of South Africa). However, any income which is derived by a resident from a foreign source may have been or may be subjected to tax in a foreign country, resulting in double taxation on this amount. *S6quat* grants relief from any potential double taxation, in that any foreign taxes payable in respect of income derived from a source outside South Africa and which is included in the taxable income of a resident, may (subject to certain conditions) be allowed as a rebate against normal income tax payable in South Africa by the resident.
- **Conditions governing the granting of a rebate**



- The sum of foreign taxes payable may qualify for a rebate against the normal income tax payable by a resident if the following conditions are met:
      - The taxes must be taxes payable on income;
- **Note:** Capital gains are included in taxable income (s26A) and the tax payable thereon is regarded as a tax on income.

- The taxes have to be imposed in terms of the laws of a foreign country, whether it be at national, state, local or other level of government;
  - The taxes should be proved to be payable, i.e. a legal obligation to pay must exist;
  - The taxes must be payable without any right of recovery by any person (other than a right of recovery in terms of an entitlement to carry back losses arising during any year of assessment to a prior year of assessment); and
  - The taxes ought to be payable in respect of amounts included in that resident's taxable income.

- **Qualifying amounts of income derived from foreign sources**

- In order to qualify for a rebate in terms of s6quat, the foreign taxes must be payable in respect of any of the following items of income, provided it was included in the resident's taxable income:
    - Any income received by or accrued to a resident, excluding foreign dividends, from an actual (real) source outside the Republic, which is not deemed to be from a source within the Republic (s6quat(1)(a)(i))
    - Any portion of the net income of a controlled foreign company (CFC) as contemplated in s9D which is attributed to a resident that holds participation rights in that CFC under s9D(2) (s6quat(1)(b))
    - Any foreign dividends (s6quat(1)(d))
    - Any taxable capital gain as contemplated in s26A.
    - Any amount dealt with above which is received by or accrued to a particular person, for example, a trust, but which is deemed to be derived by another person (the resident) (s6quat(1)(f)(i) and (ii))
    - Any amount dealt with above which forms part of the capital of a trust established in a foreign country, which is regarded as being derived by a resident for either income tax or capital gains tax purposes (s6quat(1)(f)(iii)).

- **Limitation on the amount of the rebate**

- The amount of foreign taxes which qualify for the s6quat rebate is limited to a *pro rata* amount calculated in accordance with the following formula:

<i>Taxable income derived from all foreign sources (A)</i>	×	<i>Normal tax payable on (B)</i>
<i>Taxable income derived from all sources (B)</i>		

- **The carry forward of an excess amount of foreign tax credits**

- Where the sum of foreign taxes payable exceeds the amount of the rebate, the excess amount may be carried forward to the immediately succeeding year of assessment. This excess amount will be ranked as a foreign tax credit available for set off against the normal tax payable in that year of assessment, in respect of foreign taxable income after the qualifying foreign taxes for that year have been taken into account.

- **Instances where no rebate is granted**

- No foreign tax relief will be granted where the foreign taxes do not qualify for the rebate, for example if the actual source of the amount is located in South Africa. In

such instances the amount may qualify as a deduction in terms of *s6quat* (1C) in determining taxable income for a particular year of assessment. The foreign taxes must have been incurred in respect of the resident's trading operations and must be proved to be payable without a right of recovery. A resident may not elect to claim the foreign taxes either as a rebate or alternatively as a deduction. Only those foreign taxes that do not qualify for a rebate may be considered as a deduction.

- If a resident elects for the relief provided in a double taxation agreement which does not refer to the *s6quat* method of relief, none of the provisions of *s6quat* will apply. It should be noted that the carry forward of excess tax credits is only allowed in terms of the *s6quat* method of relief. None of South Africa's double taxation agreements provide for the carry forward of excess tax credits.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.

- **Net losses:** Complete in Rands (No Cents) for **Foreign income**.
- The following currency fields (15 characters) for **Foreign income** (Source Code 7454) and **Imputed net income CFC(Source Code 7455)** must be completed in Rands (No Cents):
  - **Taxable Income.**
  - **Foreign Tax Credits.**
- **Foreign Tax Credits:** This currency field (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch as the sum of Foreign Tax Credits.
- **How much of the above Foreign tax credit is being claimed in terms of a treaty?**
  - This field has been introduced into the return from the 2015 year of assessment onwards.

#### 11.2.24 FOREIGN TAX CREDITS REFUNDED/DISCHARGED

- This container was introduced into the return from the 2017 year of assessment onwards.
- This section will display if "**Yes**" was selected to "*Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment?*"
- Complete the amount refunded /discharged by the foreign tax authority under "**Specify the portion of the amount refunded/discharged as was previously allowed by SARS as a rebate**" field.
- '**Specify the portion of the amount so refunded/discharged as was previously allowed by SARS as a deduction in terms of *s6quat* (1C)**'.
  - Insert the amount as specified.
  - Source Code 4249

#### 11.2.25 PARTNERSHIP/JOINT VENTURES

- If "**Yes**" is selected to this question "**Is the company a partner in a partnership?**" This section of the return will only display.
- The Partnerships section will repeat according to the numeric value entered in the question "How many partnerships" on the "Information to create this income tax return" page.

- The following fields must be completed for each *Partnerships* section
  - **Partnership Name:** Free text field (maximum length is 53 characters)
  - **Specify the company's profit/loss sharing % during the year of assessment:** Numeric field – complete the percentage
  - **Indicate if the company derived a profit loss from this partnership during the year of assessment:** Select "Profit" or "Loss"
  - **Indicate if this information is in respect of a local or a foreign partnership:** Select "Local" or "Foreign".

## 12 ANNEXURE C – SMALL BUSINESS

- A **Small Business** is classified as follows:
  - For the Financial Year End 20130430 (CCYYMMDD) onwards, it is a company with a gross income (sales/turnover plus other income) not exceeding R20 million and total assets (current and non-current) not exceeding R10 million and that is not otherwise classified as a Body Corporate/Share Block Company or Micro Business.
  - For the Financial Year End prior to 20130430 (CCYYMMDD ) it is a company with a gross income (sales/turnover plus other income) not exceeding R14 million and total assets (current and non-current) not exceeding R10 million and that is not otherwise classified as a Body Corporate/Share Block Company or Micro Business.
- **Note:**
  - The classification of the total assets that must not be in excess of R10 million does not define a Small Business Corporation (s12E); this only serves as a classification to create this income tax return for a small business.
  - Small Business is not the same as a Small Business Corporation as defined in s12E.

### 12.1 INFORMATION TO CREATE RETURN FOR SMALL BUSINESS

- The first page contains a number of questions to customise the ITR14 return and is applicable to all company types.
- All questions on this page must be completed before commencing with the completion of the return. Depending on the answer provided to each question, subsequent questions might be displayed on this page.
- **Note:** If any of the questions on this page are changed after the commencement of the completion of the return, it may result in the following:
  - Existing sections on the return may be removed/deleted. The form will display a warning message to alert the taxpayer of any potential loss of data captured.
  - Additional sections may be displayed on the return for completion.

#### 12.1.1 REGISTERED DETAILS

- **Have the banking, public officer and contact details of the company been verified and confirmed as correct?**
  - Select "**Yes**" or "**No**"
  - If "**Yes**" is selected, the *Dormant; Company Type, Capital Gain/Loss Transactions; Voluntary Disclosure Programme* sections in the "Information to create this income tax return" page will display additional questions for customisation of the return.

- If “No” is selected, the user will not be able to submit the return and have to update the legal entity information in the Maintain SARS Registered Details section on eFiling.

### 12.1.2 DORMANT

- **Is the company dormant?**

- “Yes” or “No” must be selected.
- If “Yes” is selected the next question will be displayed.
  - **Did the company become dormant / inactive during the year of assessment?**
    - “Yes” or “No” must be selected.
    - If “Yes” is selected, the Company will not be regarded as a Dormant Company and the Company Type will display.
    - If “No” is selected, the following question will be displayed:
      - **Specify the movement in assets, liabilities and/or reserves.**
        - The value in Rands representing the total amount realised from the “movement in assets, liabilities and/or reserves” must be completed on the field provided:
        - If the value captured is greater than R5 million, the form container for ‘Balance Sheet for Small Business/Dormant Companies’ will be displayed on the form for completion.
- If “No” is selected, the company will not be regarded as a Dormant company and the **Company Type** questions will be displayed.

### 12.1.3 COMPANY TYPE

- **Is the company a body corporate established in terms of the Sectional Titles Act or a share block company defined in the Share Blocks Control Act as referred to in s10(1)(e)?**

- “Yes” or “No” must be selected. If “Yes” is selected, the Company Representative/Public Officer must refer to *Annexure B* for a Body Corporate / Share Block Company. If “No” is selected, the next question will be displayed.

- **Specify the gross income (sales/turnover plus other income) in respect of the year of assessment?**

- Complete the gross income in Rands. The gross income referred to in this question must be calculated as the sum of “Sales/Turnover” declared under “Gross Profit/Loss” and all income items declared under “Income Items” in the Income Statement.

- **Specify the total assets (current and non-current) of the company in respect of the year of assessment?**

- If the company is not a Micro Business, and the Financial Year End prior to 20130430(CCYMMDD) has a Gross Income less than or equal to R14 million and the total assets does not exceed R10 million or where the Financial Year End is from 20130430(CCYMMDD) onwards, Gross Income is less than or equal to R20 million and the total assets does not exceed R10 million, the company will be classified as a Small Business.

- **Return Type:** This field is pre-populated depending on the answers provided for the Dormant Company and Sectional title or Share Block Company questions, including the amounts entered in the “Specify the gross income (sales/turnover plus other income) in respect of the

year of assessment” and “Specify the total assets (current and non-current) of the company in respect of the year of assessment” fields above with one of the following return types:

- Dormant
  - Body Corporate/Share Blocks **or** Micro business
  - Small Company
  - Medium Company to Large Company
- The content of the income tax return will also be expanded to display the following sections for completion:
    - Additional Assessment Information;
    - Small Business Corporation;
    - Shares;
    - Balance sheet;
    - Income Statement;
    - Tax Computation; and
    - Tax Allowances/Limitations.
  - **Note:** If the gross income in the previous question exceeds R20 million and/or the total assets exceed R10 million, then the company will **be classified as a Medium to Large Business** and must refer to *Annexure D* for completion of the ITR14 return.

#### 12.1.4 CAPITAL GAIN/LOSS TRANSACTIONS

- **Did the company have any transactions or events which resulted in a locally sourced capital gain or loss (including crypto asset(s))?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, the section for ‘*Schedule of Local Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Did the company have any transactions or events which resulted in a foreign sourced capital gain/loss (including crypto asset(s))?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, the section for ‘*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Has any debt been reduced for no consideration which has the effect of reducing the company’s assessed capital loss under p 12A(4) of the Eighth schedule?**
  - This field has been introduced into the return from the 2015 year of assessment onwards.
  - Select **“Yes”** or **“No”**.
  - If **“Yes”** is selected, the following questions will be displayed ‘*Was the reduction for a local asset?*’ and ‘*Was the reduction for a foreign asset?*’
    - **Was the reduction for a local asset?**
      - This field has been introduced into the return from the 2015 year of assessment onwards.
      - **“Yes”** or **“No”** must be selected.
      - If **“Yes”** is selected, the following section will be displayed for completion ‘*Reduction of Local Assessed Capital Loss due to Debt Reduction*’.
    - **Was the reduction for a foreign asset?**

- This field has been introduced into the return from the 2015 year of assessment onwards.
- “Yes” or “No” must be selected.
- If “Yes” is selected, the following section will be displayed for completion ‘*Reduction of Foreign Assessed Capital Loss due to Debt Reduction*’.

#### 12.1.5 VOLUNTARY DISCLOSURE PROGRAMME

- **Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the ‘*Voluntary Disclosure Programme*’ section will be displayed for completion.

#### 12.1.6 SMALL BUSINESS CORPORATION

- **Is the company a Small Business Corporation as defined in s12E?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Small Business Corporation section* in the income tax return will be displayed for completion.

#### 12.1.7 SPECIAL ECONOMIC ZONES

- This section has been introduced into the return from the 2018 year of assessment onwards.
  - **Is the company a qualifying company as defined in s12R?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Special Economic Zones (SEZ) section* in the income tax return will be displayed for completion.

#### 12.1.8 VENTURE CAPITAL COMPANY INVESTMENTS

- This section has been introduced into the return from the 2015 year of assessment onwards.
- **Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during the year of assessment?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, then ‘*Specify the number of investments made in SARS approved Venture Capital Companies*’ will be displayed for completion.
- **Specify the number of investments made in SARS approved Venture Capital Companies**
  - This field will require you to complete the number of investments made. Complete any number between 1 and 99.

- A section on the income tax return will be displayed named '*Investments in Venture Capital Companies (VCC): s12J*'. This section may be repeated on the return to a maximum of 10 times. The Representative/Public Officer is required to complete in the fields provided, on the investments made. If he/she captured that the number of investments made to an approved VCC does not exceed ten, he/she must complete on the return required information on the investments made. Otherwise, the Representative/Public Officer is required to complete information of the top ten investments made.

#### 12.1.9 DEDUCTION (s7F) IN RESPECT OF SARS INTEREST REPAID

- This section has been introduced into the return from the 2020 year of assessment onwards.
- **Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?**
  - "Yes" or "No" must be selected.
  - If "Yes" is selected, the "Deduction (i.t.o. s7F) of Interest Repaid to SARS that was Previously Taxed in terms of s7E." will be displayed for completion.

#### 12.1.10 DONATIONS (S18A)

- This section has been introduced into the return from the 2015 year of assessment onwards.
- **Does the company want to claim donations made to an approved organisation in terms of s18A?**
  - "Yes" or "No" must be selected. If "Yes" is selected the following question will be displayed for completion:
    - **Is the company a collective investment scheme? Select "Yes" or "No"**
      - If "Yes" is selected, then the income tax return will display the following section for completion, '*Donations allowable in terms of s18A to approved organisations in respect of a Collective Investment Scheme*'.
  - If "No" is selected, the following question will be displayed for completion:
    - **How many organisations did the company donate to?**
      - Complete any number between 1 and 99 of the organisation the company donated to.
      - This will display on the income tax return a section to be completed named '*Donations allowable in terms of s18A to approved organisations*'. In this section complete the details of the organisations where donations were made.

#### 12.1.11 TAX CREDITS

- For ITR14 returns from 2019 form year onwards, companies will not be allowed to manually capture PAYE credits and will only be able to submit their ITR14 returns with pre-populated IRP5 Information. If additional IRP5 certificates need to be declared, the ITR14 return must be submitted at the SARS branch where the SARS user will be able to capture the additional IRP5 certificates.
- **Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**
  - SARS will pre-populate the amount of IRP5's.
- **Specify the number of IRP5 tax certificates**

- SARS will pre-populate the amount of IRP5's.
  - **Note:** When the company submits more than 20 IRP5's, the 19<sup>th</sup> prepopulated IRP5 will be reflected on the ITR14 and the 20<sup>th</sup> IRP5 will be consolidated on the total PAYE credits.
- **Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat(1A) and/or a treaty?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Foreign Tax credits: Taxable Foreign Sourced Income of Resident Companies – s6quat(1A) (excluding foreign capital gain/loss)* section in the income tax return will be displayed for completion.
- **Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment in terms of s6quin?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Foreign Tax Credits Refunded/Discharged by the government of a foreign county in respect of rebate allowed by SARS in previous year – s6quin* will be displayed for completion.
- Please note if you create a return for 2017 YOA the question will read as follows “**Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment?**”
  - This is due to the fact that the recoupment in terms of s6quat(1C) has been added to this container. Please see new source code 4249.
    - “Yes” or “No” must be selected.
    - If “Yes” is selected, the container will read as *Foreign Tax Credits Refunded/Discharged and will be displayed for completion.*
- **Will the company be claiming a deduction on SA sourced trading income i.t.o. s6quat(1C)?**
  - This field has been introduced into the return from 2019 year of assessment onwards.
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *“Deduction i.t.o. s6quat (1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income”* will be displayed for completion.

#### 12.1.12 COMPANY INFORMATION

- **Is the company a partner in a partnership/joint venture?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, complete the next question.
  - **How many partnerships/joint ventures?**
    - This field accepts numeric values between 1 and 99. Based on the numeric value entered in this field, the *Partnerships/Joint Ventures section* in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 50 was entered then 50 *Partnership* sections will display in the return for completion).
- **Is the company a Personal Service Provider as defined in the Fourth Schedule?**
  - “Yes” or “No” must be selected.



- If **“Yes”** is selected, the *Personal Service Provider section* in the income tax return will be displayed for completion.
  
- **Is the company resident in South Africa for income tax purposes?**
  - **“Yes”** or **“No”** must be selected:
  - If **“Yes”** is selected, complete the next question.
    - **How many different classes of shares have been issued by the company?**
      - This field accepts numeric values between 1 and 100. Based on the numeric value entered in this field, the *Contributed Tax Capital section* in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 5 was entered then five *Contributed Tax Capital* sections will display in the return for completion).
      - For Close Corporations, the definition of a “share” (any unit into which the proprietary interest in the company is divided) according to the Companies Act includes the members’ interests in a Close Corporation. Members’ interest therefore must be regarded as a class of share.
      - The distinction between different types of shares (e.g. ordinary, preference, redeemable etc.) must be declared separately. Furthermore, if the company has only issued one class of ordinary shares, for example, then a general description would be in order. However, if classes A, B and N ordinary shares have been issued then each class of ordinary share must be specified separately i.e. if there are shares with different rights for the different shareholders they must be declared separately.
  - If **“No”** is selected, complete the next question.
    - **Did the company cease to be a resident during this year of assessment?**
      - **“Yes”** or **“No”** must be selected.
      - If **“Yes”** is selected, the *Non-Residency section* in the income tax return will be displayed for completion. The field *‘Date on which the company ceased to be a resident’* must be completed.
      - This question has been introduced into the return from the 2013 year of assessment onwards.
  
- **Did the company have transactions (including mining activities) relating to crypto assets (excluding CGT)?**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, the *Crypto assets Transactions (Local / Foreign) (excluding CGT)* section will be displayed for completion.
  
- **Did the company qualify for an Urban Development Zone deduction (s13quat)?**
  - **“Yes”** or **“No”** must be selected.
    - If **“Yes”** is selected, the *Urban Development Zone (s13quat) section* in the income tax return will be displayed for completion.
    - If **“Yes”**, complete the question: Was the building or part of the building brought into use after 31 March 2021? Select **“Yes”** or **“No”**
      - This is applicable from 2021 tax year onwards
      - If the answer is **No**, note that the following Urban Development Zone (UDZ) related fields will be available for completion
        - “Urban Development Zone (s13quat)” container
        - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (excl. low-cost residential units)

- Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - improvements to existing buildings (excl. low-cost residential units)
  - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential units)
  - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - improvements to existing buildings (low-cost residential units)
  - If the answer is **Yes**, the above-mentioned Urban Development Zone (UDZ) related fields will **not** be available for completion.
- **Did the company enter into any reportable arrangement in terms of s34 – 39 of the Tax Administration Act or s80M – S80T?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, complete the next question.
    - **Specify the number of reportable arrangements**
      - This field accepts numeric values between 1 and 100. Based on the numeric value entered in this field, the *Reportable Arrangement section* in the income tax return will be **expanded** to display a field for each reportable arrangement number for completion (e.g. if the numeric value 4 was entered then 4 Reportable Arrangement Numbers will display for completion in the *Reportable Arrangement section* of the return).
- **Were any dividends declared during the year of assessment?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the *Dividends Declared section* in the income tax return will be displayed for completion.
- **Is the company part of a group of companies that prepares consolidated financial statements?**
  - If “**Yes**” is selected, the *Company structure section* in the income tax return will be displayed for completion.
- **Is the company a member of a Multinational Entity (MNE) group as defined in the Country-by-Country (CbC) Regulations?**
  - If “**Yes**” is selected, this *section* “Multinational Entity (MNE) group details” on income tax return will be displayed for completion.

#### 12.1.13 CUSTOMS INFORMATION

- **Is the company registered/licensed for customs purposes?**
  - Select either “**Yes**” or “**No**”.
  - If “**Yes**” is selected, the following question ‘*Indicate the number of customs client codes allocated to this company*’ will be displayed for completion.
- **Indicate the number of customs client codes allocated to this company.**
  - Complete the number of customs client codes allocated to this company.

## 12.2 COMPLETION OF RETURN – SMALL BUSINESS

- Once all the questions on the “**Information to create this income tax return**” page of the ITR14 return have been completed the return information must be completed as follows:

### 12.2.1 COMPANY/CLOSE CORPORATION PARTICULARS

- The following read-only fields will be pre-populated on the in the Company / Close Corporation Particulars container:
  - Tax Reference number;
  - Year of Assessment;
  - Registered Name;
  - Trading Name;
  - Company/CC registration number;
  - Financial year-end (CCYYMMDD).
- Please complete the following fields:
  - **Is this return in respect of a branch/permanent establishment/agency of a foreign company?**
    - “**Yes**” or “**No**” must be selected.
  - Please indicate where the majority of the company’s taxable income/loss is derived from. Select the relevant option from the following list:
    - Eastern Cape.
    - Free State.
    - Gauteng.
    - Kwa-Zulu Natal.
    - Limpopo.
    - Mpumalanga.
    - North West.
    - Northern Cape.
    - Western Cape.
    - International.
  - **Select the Standard Industry Code (SIC) applicable to the main activity of the Company**
    - A dropdown box with all the Standard Industry Codes (SIC) will be displayed. Access the Standard Industry Codes (SIC) booklet on [www.statssa.gov.za](http://www.statssa.gov.za). Ensure that the correct SIC code is selected for the company.
  - **State the profit code of your main source of income**
    - A pop-up list with all the main source of income codes will be displayed.
      - **Note:** If the company is dormant, this field will be pre-populated with code 9994 and locked. Access the following main source codes by entering “Find a source code” on the SARS website [www.sars.gov.za](http://www.sars.gov.za).
  - **If the profit code is “other not specified”, please provide a description**
    - If the profit code of your main source of income ends with ‘98’, this is a mandatory free text field (maximum length 56 characters).

### 12.2.2 TAX PRACTITIONER DETAILS (If Applicable)

- **Registration number.**
  - Complete the tax practitioner’s registration number (alphanumeric field of 9 characters). The first two characters must start with “PR”.
- **Tel number.**

- Complete the Telephone number (numeric field of 15 characters).
- **Tax Practitioner Email address.**
  - Complete the email address (free text field of 52 characters).
- **Mark here with an “X” if you declare that you do not have an email address.**
  - If you don’t have an email address, indicate this by selecting the field “*Mark here with an ‘X’ if you declare that you do not have an email address*”. The email address field will be locked and greyed out.

### 12.2.3 DORMANT COMPANY DETAILS (Applicable to Dormant Companies only)

- **What is the reason for dormancy?**
  - Select the applicable reason for dormancy from the dropdown box.
- **Is the company acting as, or carrying on the activities, of a nominee?**
  - This field has been introduced into the return from the 2016 year of assessment onwards.
  - Complete the question by selecting either “**Yes**” or “**No**”.
  - If “**Yes**” is selected the following question will be mandatory on the form for completion: ‘*Did the company receive any taxable passive income?*’
    - **Did the company receive any taxable passive income?**
      - This field has been introduced into the return from the 2016 year of assessment onwards.
      - The Representative/Public Officer is required to select either “**Yes**” or “**No**”.
      - If “**Yes**” is selected, complete the ‘*Taxable Passive Income*’ field.
        - **Taxable passive income**
          - Complete the taxable passive income received by the company.
          - Source code 4290.
- **Is the company a party to any contract in terms of which it has undertaken to conduct any activity or hold any assets on behalf of another person during the current or a future year of assessment?**
  - Select “**Yes**” or “**No**”.

### 12.2.4 VOLUNTARY DISCLOSURE PROGRAMME

- If “**Yes**” is selected to this question “**Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**” this section will only display on the return:
- **Please indicate the VDP application no. issued by SARS**
  - Complete the alphanumeric field. The first three characters must start with “VDP”. No spaces or dashes should be entered when completing the VDP Application No.

### 12.2.5 DECLARATION

- **Note:**

- Complete the date in the format (CCYYMMDD).
- The Company Representative/Public Officer's login will serve as the authentication for the ITR14 return submission on eFiling.
- The Public Officer/Representative must sign the signature pad when the ITR14 return is submitted at a SARS branch.
- The ITR14 return is a legal declaration to SARS and by signing; you agree that the information is accurate.  
You are obliged to ensure that a full and accurate disclosure is made of all relevant information as required in the ITR14 return. Misrepresentation, omission or negligence in submitting a declaration or supplying false information may result in prosecution.

## 12.2.6 REPORTABLE ARRANGEMENT

- If “Yes” is selected to this question “**Did the company enter into any reportable arrangement as referred in s34 – 39 of the Tax Administration Act?**” this section will only display on the return.
- The Commissioner has by way of Public Notice No 140 dated 3 February 2016 (GG 39650) listed the arrangements for purposes of s35(2) (reportable arrangements) and s36(4) (excluded arrangements) of the Tax Administration Act, 2011, as follows:
- An arrangement that would have qualified as a “hybrid equity instrument” in terms of s8E, 1962, if the prescribed period in that section had been 10 years, but does not include any instrument listed on an exchange regulated in terms of the Financial Markets Act, 2012 (Act No. 19 of 2012);
- An arrangement in terms of which—
  - (a) a company buys back shares on or after the date of publication of this notice from one or more shareholders for an aggregate amount exceeding R10 million; and
  - (b) that company issued or is required to issue any shares within 12 months of entering into that arrangement or of the date of any buy-back in terms of that arrangement;
- An arrangement in terms of which—
  - (a) a person that is a resident makes any contribution or payment on or after 16 March 2015 to a trust that is not a resident and has or acquires a beneficial interest in that trust; and
  - (b) the amount of all contributions or payments, whether made before or after 16 March 2015, or the value of that interest exceeds or is reasonably expected to exceed R10 million, excluding any contributions or payments made to or beneficial interest acquired in any—
    - (i) portfolio comprised in any investment scheme contemplated in paragraph (e)(ii) of the definition of “company” in s1(1), 1962; or
    - (ii) foreign investment entity as defined in s1(1), 1962;
- An arrangement in terms of which one or more persons acquire the controlling interest in a company on or after the date of publication of this notice, including by means of acquiring shares, voting rights or a combination of both, that—
  - (a) (i) has carried forward or reasonably expects to carry forward a balance of assessed loss exceeding R50 million from the year of assessment immediately preceding the year of assessment in which the controlling interest is acquired; or
  - (ii) has or reasonably expects to have an assessed loss exceeding R50 million in respect of the year of assessment during which the controlling interest is acquired; or

- (b) directly or indirectly holds a controlling interest in a company referred to in paragraph (a);
- An arrangement between a person that is a resident and a person that qualifies as an insurer in terms of any law of any country other than the Republic (hereinafter referred to as the foreign insurer) in terms of which—
  - (a) an aggregate amount that exceeds or is reasonably expected to exceed R5 million has been paid or becomes payable by the resident to the foreign insurer; and
  - (b) any amount payable on or after 16 March 2016, in cash or otherwise, to any beneficiary in terms of that arrangement is to be determined mainly by reference to the value of particular assets or categories of assets that are held by or on behalf of the foreign insurer or by another person for purposes of that arrangement; and
- An arrangement for the rendering to a person—
  - (a) that is a resident; or
  - (b) that is not a resident that has a permanent establishment in the Republic to which that arrangement relates, of consultancy, construction, engineering, installation, logistical, managerial, supervisory, technical or training services, in terms of which—
    - (i) a person that is not a resident or an employee, agent or representative of that person—
      - (aa) was or is physically present in the Republic; or
      - (bb) is anticipated to be physically present in the Republic, in connection with or for purposes of rendering those services; and
    - (ii) the expenditure in respect of those services under that arrangement—
      - (aa) incurred or to be incurred, on or after the date of publication of this notice, exceeds or is anticipated to exceed R10 million in aggregate; and
      - (bb) does not qualify as remuneration for purposes of the Fourth Schedule, 1962.
- Excluded arrangements:
  - An arrangement referred to in s35(1) of the Tax Administration Act, 2011, is an excluded arrangement if the aggregate tax benefit which is or may be derived from that arrangement by all participants to that arrangement does not exceed R5 million.
  - An arrangement referred to in s35(1)(c) of the Tax Administration Act, 2011, is an excluded arrangement if the tax benefit which is or will be derived or is assumed to be derived from that arrangement is not the main or one of the main benefits of that arrangement.
- **Specify the reportable arrangement number:**
  - This alphanumeric field of length 12 will be repeated based on the numeric value entered in the field “Specify the number of reportable arrangements” in the “*Information to create this Income Tax Return*” page. Each field is mandatory for completion.
- In each of the following questions a “**Yes**” or “**No**” must be completed
  - **Is the company a participant in any arrangements which have the following features:**
    - **Round trip financing (s80D)?**
    - **Elements that have the effect of offsetting or cancelling each other (s80C)?**
    - **Presence of an accommodating or tax-indifferent party (s80E)?**

### 12.2.7 DIVIDENDS DECLARED

- If “**Yes**” is selected to this question “**Were any dividends declared during the year of assessment?**” This section will only display on the return.
- **Note:**
  - Dividends tax operates on the principle that the liability for dividends tax is triggered by the payment of the dividend and the tax liability on cash dividends falls on the recipient (i.e. beneficial owner) of the dividend. However, dividends tax is administered on the basis of withholding the applicable tax from the cash dividend payment by either the company declaring the dividend or, where relevant, regulated intermediaries.
- All currency fields listed below must be completed. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Specify the total dividends declared consisting of the following:**
  - **Total dividends subject to STC (Dividends declared before 1 April 2012);**
  - **Total dividends subject to dividends tax (Dividends declared and paid on or after 1 April 2012);**
  - **Total dividends exempt from dividends tax;**
  - **Total dividends subject to double taxation relief;**
  - **Total dividends in specie declared.**

### 12.2.8 NON-RESIDENCY

- If “**No**” if selected this question “**Is the company resident in South Africa for income tax purposes?**” This section will only display on the return.
- **Note:**
  - A company will be a non-resident if it is not incorporated, established or formed in South Africa and does not have its place of effective management in South Africa. The place of effective management in the case of a company is the place where it is managed on a regular or day-to-day basis by the directors or senior managers of the company, irrespective of where the overriding control is exercised, or where the board of directors meets.
  - Management by these directors or senior managers refers to the execution and implementation of policy and strategy decisions made by the board of directors. It can also be referred to as the place of implementation of the entity’s overall group vision and objectives.
- In both questions below, a “**Yes**” or “**No**” must be selected.
  - **Is the company resident outside South Africa due to:**
    - **Foreign incorporation (and not being effectively managed in SA)?**
    - **By virtue of a treaty to avoid double taxation?**
  - **Date on which the company ceased to be a resident:**
    - Complete the date of which the company ceased to be a resident. The format of the date should be as follows: (CCYYMMDD).

### 12.2.9 PERSONAL SERVICE PROVIDER

- If “**Yes**” is selected this question “**Is the company a Personal Service Provider as defined in the Fourth schedule?**” this section of the return will only display.

- **Note:** A Personal Service Provider is any company (or trust) where services rendered on behalf of such company to a client of the company is rendered personally by any connected person (usually the shareholder or a relative of the shareholder) as defined in s1 in relation to such company and:
  - The person rendering the service would be regarded as an employee of the client, had such service been performed directly to the client; or
  - The person or company or trust rendering the service is subject to the control and supervision of the client as to the manner in which the duties are performed in rendering such service and must be mainly performed at the premises of the client; or
  - More than 80% of the income of the company is directly or indirectly derived during the tax year from one client of the company or any associated institution as defined in the Seventh Schedule;
  - If the company throughout the year of assessment employs three or more full-time employees who are on a full-time basis engaged in the business of such company of rendering any such service, other than any employee who is a shareholder or member of the company or is a connected person in relation to such person will not be regarded as a personal service provider.
  
- S23(k) is applicable to a Personal Service Provider and prohibits a deduction of the following expenses incurred:
  - Legal expenses;
  - Bad debts;
  - Employers contribution to pension funds, provident funds or benefit funds;
  - Refunds of any amount, including voluntary awards, that are received or accrued for services rendered or to be rendered or any amount received or accrued for or by virtue of any employment or the holding of any office as was included in the taxable income of that person;
  - Refunds of restraint of trade payments;
  - Expenses in respect of premises;
  - Expenses for premises, finance charges, insurance, repairs and fuel and maintenance cost for assets where the premises or assets are used wholly or exclusively for the purposes of trade.
  
- **Was any service rendered on behalf of the company rendered by a connected person in relation to the company?**
  - “**Yes**” or “**No**” must be selected.
  - If “**No**” is selected, the company will not be regarded as a Personal Service Provider and a message will be displayed. If “**Yes**” is selected, complete the next question.
  
- **How many full-time employees are on a full-time basis engaged in rendering any service of the company, excluding those who are shareholders or members or are connected to such shareholder or member?**
  - If this value exceeds two, the company will not be regarded as a Personal Service Provider and a message will be displayed. If this value is not in excess of two, complete the next question.
  
- **Note:** All the questions below must be completed with a “**Yes**” or “**No**”.
  
- If any of the following three questions is “**No**”, the company will not be regarded as a Personal Service Provider and a message will be displayed.



- **Would the person who is personally rendering the service have been regarded as an employee of the client if the service was rendered directly to the client and not through the company?**
  - **Must the person who is rendering the service, perform the duties mainly at premises of the client, and if so, is that person subject to the control or supervision of the client as to the manner in which the duties are performed or are to be performed?**
  - **Does more than 80% of the income from services rendered by the company consist of or is likely to consist of amounts directly or indirectly received from any one client, or from any associated institution in relation to the client?**
- **Were the necessary adjustments made in respect of expenses not allowable in terms of s23(k)?**
  - **“Yes” or “No” must be selected.**

#### 12.2.10 ADDITIONAL ASSESSMENT INFORMATION

- For each of the following questions, a **“Yes”** or **“No”** must be selected:
- **Do you give consent that SARS can provide the attached financial statements to the Companies and Intellectual Property Commission (CIPC)?**
  - When the company answers **“Yes”** to this question, the intent from SARS is to make the annual financial statements available to the CIPC.
- **Has the financial statements been audited?**
- **Have the financial statements been reviewed?**
  - If **“Yes”** is selected in either two questions above, the following field must be completed:
  - **If “Yes”, provide the name of the entity that conducted the audit/review:** Free text field
  - Note that **“No”** can be selected to both the questions *‘Have the financial statements been audited?’* and *‘Have the financial statements been reviewed?’*
  - The following question will only display if **“Yes”** was answered to the question *‘Have the financial statements have been audited?’*
    - **Have the financial statements been qualified?** Select **“Yes”** or **“No.”** If **“Yes”** is selected, the following question must be completed:
    - If **“Yes”**, does this have any tax effects?
      - Select **“Yes”** or **“No”**.
- **Did the company generate a capital gain/loss or revenue gain/loss in respect of the early termination of a foreign instrument?**
- **Did the company prematurely terminate/unwind a hedge position where the tax value differs in relation to the economic value?**
- **Did the company enter into any sale and leaseback agreement?**
  - This field has been introduced into the return from the 2015 year of assessment onwards.
  - Select **“Yes”** or **“No”** to indicate whether the company entered into a sale and leaseback agreement.

- **Is the company a beneficiary of a trust?** Select “Yes” or “No”.
  - If “Yes”, how many trusts?
  - This question has been introduced into the return from 2019 year of assessment and will be displayed if the answer to the question “*Is the company a beneficiary of a trust?*” is “Yes”,
    - **Did the company receive any distribution(s) from a trust(s) during this year of assessment?**
    - If “Yes”, the sub-container “*Taxable Distributions from all Trust(s) during this Year of Assessment included elsewhere in this return*” will be displayed for completion with the below fields:
      - Local CGT distribution
      - Foreign CGT Distribution
      - Local taxable income distribution
      - Foreign taxable income distribution
  
- **Did the company exercise any control of a trust?**
  - This field has been introduced into the return from 2015 year of assessment onwards.
  - Select “Yes” or “No” to indicate whether the company exercised any control of a trust during the YOA.
  
- **Is the company a founder / settlor / beneficiary of a foreign trust?**
  - This field has been introduced into the return from 2015 year of assessment onwards.
  - Select “Yes” or “No” to indicate whether the company is a founder/settlor/beneficiary of a foreign trust.
  
- **Did the company make any donations to a foreign trust?**
  - This field has been introduced into the return from 2015 year of assessment onwards.
  - Select “Yes” or “No” to indicate whether the company made donations to a foreign trust
  
- **Is the company a REIT (Real Estate Investment Trust) as defined in s1?**
  - This field has been introduced into the return from 2014 year of assessment onwards and optional for prior years.
  - Select “Yes” or “No” to indicate whether the company is the real estate investment trust.
  
- **Did the company sell goods or services online?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2017 year of assessment onwards.
  
- **Did the company participate in any farming activities?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2017 year of assessment onwards.
  - If “Yes” is selected, the following note will be displayed:
    - “Please upload the required farming schedule as part of your return submission”

- **“Is the company carrying on banking, financial services or insurance business?”**
  - If **“Yes”** is selected, the following question will be asked **“Is the company a “covered person” as envisaged in p (c)(i) to (iii) and (d) of that definition in s24JB?”**
    - If **“Yes”** is selected; *“Allowance i.r.o. impairments (s11(jA))”* will be displayed for Small and Medium to Large Companies, in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” container.
    - If **“No”** is selected, *“Allowance i.r.o. impairments (s11(jA))”* must not be displayed in the dropdown list for Small and Medium to Large Companies in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” container.
    - For 2019 year of assessment onwards, if “No” is selected, the following fields will be displayed for completion in the Small and Medium to Large Companies in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” containers
      - Doubtful Debt allowance – IFRS applied (s11(j)(i))
      - Doubtful Debt allowance – IFRS not applied (s11(j)(ii))
- **Is the company listed on a recognised stock exchange as referred to in paragraph 1 of the Eighth Schedule?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company part of a group of companies as defined in s1?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company part of a multinational enterprise? Select “Yes” or “No”. Applicable from the 2017 YOA onwards. If yes, complete the following question:**
  - **Did the company enter into potentially affected transactions exceeding an aggregate value of R100 million for the year of assessment as referred to in Public Notice No 1117 (published in GG No. 41186 of 20 October 2017)?**
    - This field has been introduced into the return from 2019 year of assessment onwards.
- **Did the financial year end of the company change during this year of assessment? Select “Yes” or “No”.**
  - This field has been introduced into the return from the 2017 YOA onwards.
  - If Yes, complete the following fields:
    - From 2019 year of assessment, indicate the period of the financial statement(s) used for the completion of this return:
      - Start Date (CCYYMMDD)
      - End Date (CCYYMMDD)
  - Please note that the company should only submit one ITR14 return in respect of the above period. The financial statement(s) applicable to this period must be submitted in support of the ITR14 return.

- **Example:**
  - The FYE in the 2019 year of assessment (YOA) was 05 (31 May), and during the 2020 year the taxpayer requested the FYE to be changed to 12 (31 December).
  - The company must complete the ITR14 return in respect of the 2020 year of assessment for the period from 2019/06/01 to 2020/12/31, and upload the relevant financial statement(s) in support thereof.
  
- **Is the company a SARS approved Venture Capital Company as defined in s12J?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2019 year of assessment onwards.
  
- **Is the company a qualifying company as defined in s12J?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2019 year of assessment onwards.
  
- **Is the company an Oil and Gas Company as defined in the Tenth Schedule? Select “Yes” or “No”.**
  - This field has been introduced into the return from 2017 year of assessment onwards.
  - If “Yes” is selected, complete the next question:
    - **Does a different tax rate apply to Oil and Gas the company and/or any rights(s) held by that company? Select “Yes” or “No”.**

#### 12.2.11 SMALL BUSINESS CORPORATION

- If “Yes” is selected to this question “**Is the company a Small Business Corporation as defined in s12E?**” This section of the return will only display.
  
- **Note:**
  
- S12E(4)(a) requires that a company will be a Small Business Corporation if:
  - The taxpayer is incorporated within South Africa and is trading as either a close corporation, co-operative or private company
  - All the holders of the shares in the company, close corporation or co-operative are, at all times, must be natural persons
  - The gross income of the company, close corporation or co-operative does not exceed R20 million during the year of assessment
  - The personal service income and investment income, collectively, does not exceed 20% of the total receipts and accruals (excluding capital receipts but including capital gains)
  - The company is not a personal service provider.
  
- **State the gross income, as defined in s1, of the company**
  - Complete the gross amount.
  - For Financial Year End prior to 20130430 the gross income should not be in excess of R14 million - if it is in excess of R14 million the business will not qualify as a Small Business Corporation.

- For Financial Year End on or after 20130430, the gross income should not be in excess of R20 million - if it is in excess of R20 million the business will not qualify as a Small Business Corporation.
- Complete the following lists of questions as “**Yes**” or “**No**”. If any of the following questions are “**No**”, the company will not be regarded as a small business corporation and a message will be displayed to ensure that the Small Business Company question is updated in the “*Information to create this income tax return*” section.
  - **Does the company declare that not more than 20% of the total of all receipts and accruals (other than of a capital nature) and all capital gains of the company consists collectively of investment income and income from rendering a personal service?**
  - **Does the company declare that the company is not a Personal Service Provider as defined in the Fourth Schedule?**
  - **Does the company declare that all of the shareholders/members were natural persons (individuals) throughout the year of assessment?**
  - **Does the company declare that none of the shareholders/members of the company held shares / interests in another close corporation, company or co-operative other than those specified in s12(E)(4)(a)(ii)?**

#### 12.2.12 SPECIAL ECONOMIC ZONE (SEZ)

- The Special Economic Zone tax incentive was introduced in an effort to improve governance, streamline procedures, provide more focused support for businesses operating in these special economic zones, and to replace the Industrial Development Zones tax incentive mainly to encourage higher levels of investments in the economic zones.
- Qualifying companies operating within the Special Economic Zone are taxed at 15% as compared to the normal rate of 28% applicable to companies.
- A “qualifying company” operating in a Special Economic Zone will be disqualified from the benefits of the incentive where the following is applicable:
  - The company conducts any activity (classified in the SIC code) referred to in s12R(4)(a) or (b), or
  - More than 20% of deductible expenditure is incurred or more than 20% of income is received/accrued in respect of transactions with a connected person in relation to the company (s12R(4)(c)).
- This container has been introduced into the return from the 2018 year of assessment onwards. It will be displayed when the wizard question on Special Economic Zones “Is the company a qualifying company as defined in s12R” was responded to as ‘**Yes**’.
- The following questions are mandatory and must be completed:
- **Is the company located in a Special Economic Zone(s)(SEZ’s)?**
  - Select either “**Yes**” or “**No**”. If “Yes” is selected, the following field will be displayed: “Please select/de-select which Special Economic Zone(s) the company is located in?”
- Please select/de-select the Special Economic Zone(s) the company is located in”
  - Select the appropriate SEZ from the dropdown list provided.
    - Coega SEZ;
    - Dube Trade Port SEZ;

- East London SEZ;
  - Maluti-a-Phofung SEZ;
  - Richards Bay SEZ;
  - Saldanha Bay SEZ;
  - Other.
- If you selected “Other” as a Special Economic Zone(s), please list them in the field provided.
  - Select either “Yes” or “No” to the following questions:
    - Is the business or services carried on or provided from a fixed place of business situated within the Special Economic Zone(s)?
    - Is at least 90% of the income of the company derived from the carrying on of business, or the provision of services within a special economic zone(s)?
    - Does the company confirm that it does not conduct any of the activities specifically excluded for the purposes of s12R?
      - Does the company confirm that no more than 20% of expenses incurred, nor more than 20% of income received or accrued, arises from transactions with any resident connected person in relation to the company or any non-resident connected person where those transactions are attributable to a permanent establishment of that connected person(s) in the Republic?
- Note:** The following new questions were added to the "Special Economic Zones" container and are mandatory from 2019 year of assessment onwards:
- Does the company confirm that it carried on a trade before 1 January 2013 in a location that is subsequently approved as a SEZ?
  - Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade is not previously carried on by the company or any connected person in relation to that company in the Republic?
  - Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade comprises of:
    - The production of goods not previously produced by the company or any connect person in relation to the company in the Republic;
    - The use of new technology in that company’s production processes; or
    - An increase in the production capacity of that company in the Republic?

### 12.2.13 CONTRIBUTED TAX CAPITAL

- If “Yes” is selected to this the question “Is the company resident in South Africa for income tax purposes?” This section of the return will only display.
- **Note:**
  - The *Contributed Tax Capital* sections will repeat according to the numeric value entered in the question “How many different classes of shares have been issued by the company?” on the “Information to create this income tax return” page.
  - If four *Contributed Tax Capital* sections were created, it is mandatory that all four must be completed. If incorrectly created, refer back to the “Information to create this income tax return” to rectify.
  - Companies must have a Contributed Tax Capital (CTC) register in place for each class of share, which reflects its CTC balance as at 1 January 2011. CTC consists of a company’s pure share capital and share premium. This excludes any capitalised

reserves as at 1 January 2011, but includes any consideration received after that date for the issue of shares, reduced by any subsequent distribution of CTC.

- Company's CTC opening balance as at 1 January 2011 calculated as follows:
  - The value of the company's share capital and share premium prior to 1 January 2011.
  - The above result must have been reduced by so much of the share capital and share premium as would have constituted a dividend (as defined before 1 Jan 2011), had that share capital been distributed immediately before that date.
- The definition (applicable from 1 January 2011) of a dividend is linked to the CTC concept. If a company is distributing an amount to shareholders, an important question is whether the amount is a dividend or a reduction of CTC. A reduction of CTC will not constitute a dividend.
- In terms of the definition of "dividend" any buy-back of shares or distribution by a company will constitute a dividend unless the amount transferred:
  - Reduces the CTC.
  - Constitutes shares in that company.
  - Is a buy-back of listed shares under specified circumstances?
- **Description of class of shares**
  - Complete the description of class of shares in the 150 characters provided.
  - For Close Corporations, the definition of a "share" (any unit into which the proprietary interest in the company is divided) according to the Companies Act includes the members' interests in a close corporation. Members' interest therefore must be regarded as a class of share.
  - The distinction between different types of shares (e.g. ordinary, preference, redeemable etc.) must be declared separately. Furthermore, if the company has only issued one class of ordinary shares (for example) then a general description would be in order. However, if classes A, B and N ordinary shares have been issued then each class of ordinary share must be specified separately i.e. different rights for the different shareholders must be declared separately.
- Complete the following currency fields (15 characters) in Rands (No cents):
  - **Amount of contributed tax capital:**
    - (a) Immediately before 1 January 2011; or
    - (b) Where the company became a resident since 1 January 2011;
  - **Add: Consideration received of accrued for the issue of shares by the company;**
  - **Deduct: Amounts transferred to holders of shares;**
  - **Deduct: Adjustments in terms of s8G;**
  - **Deduct: Reduction as a result of the application of s42;**
  - **Deduct: Reduction as a result of the application of s44;**
  - **Deduct: Reduction as a result of the application of s46.**

**Note:** The fields above should be completed to reflect the status quo as at the end of the current year of assessment (i.e. it should be an aggregation of all movement since 1 January 2011).

- **Balance of contributed tax capital at the end of the year of assessment:** This currency field (15 characters) will be calculated by SARS. The balance can never be a negative value.

#### 12.2.14 URBAN DEVELOPMENT ZONE (s13quat)

- If **“Yes”** selected to this question **“Did the company qualify for an Urban Development Zone deduction (s13quat)?”** This section of the return will only display.
- A deduction in respect of the Urban Development Zone (UDZ) allowance will be allowed in the determination of the taxable income of a person that constructed, improved or purchased a building from a developer, provided all the requirements are complied with. When claimed, the tax incentive reduces the taxable income. The incentive is not limited to the taxable income and can create an assessed loss. This allowance (the UDZ allowance) is applicable in respect of the –
  - Erection of new buildings and/or extension or additions to any existing buildings, (excluding low-cost residential units);
  - improvements to existing buildings (excluding low-cost residential units);
  - Erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential buildings).
  - Improvements to existing buildings (low-cost residential buildings)
  - The erection, extension, improvement or addition of building or part of representing a floor area of at least 1 000 m<sup>2</sup>; or
  - Purchase of such a building or part of a building directly from a developer on or after 8 November 2005, provided that certain requirements are met.
- A person will only qualify for the UDZ allowance in respect of a building or part of the building constructed, improved or purchased directly from a developer within an urban development zone (UDZ), if the building or that part of the building is used solely for the purposes of that person’s trade and was brought into use for these purposes on or before 31 March 2021.
- The following questions must be completed with a **“Yes”** or **“No”**:
- **Is the building for which the company is claiming an allowance in an approved demarcated zone?**
  - If **“No”** is selected, a message will be displayed to update the Urban Development Zone (s13quat) question in the *“Information to create this income tax return”* section.
- **Did the company receive a certificate issued by the municipality confirming that the building for which the company is claiming an allowance is in an urban development zone?**
  - If **“No”** is selected, a message will be displayed to update the Urban Development Zone (s13quat) question in the *“Information to create this income tax return”* section. If **“Yes”** is selected, the certificate issued by the municipality must be kept for a period of five years as required by s29 of the Tax Administration Act.
- **Did the company erect, extend, add or improve the building for which the company is claiming an allowance with the sole purpose of disposing thereof directly on completion?**
  - If **“Yes”** is selected, a message will be displayed to update the Urban Development Zone (s13quat) question in the *“Information to create this income tax return”* section.
  - If **“No”** is selected, the following currency field must be completed in Rands (No Cents):
    - **If No, state the total amount incurred for the erection, extension, addition or improvement of the building.**
- **Did the company purchase the building or part thereof from a developer?**
  - If **“Yes”**, the following currency field must be completed in Rands (No Cents):
  - **If “Yes”, state the purchase price of the building or part thereof**



- **State the amount of the purchase price deemed to be cost incurred by the company in terms of s13quat (3B).**
- **Did the company use the building erected, extended, improved or added on to solely for the trade of the company during the year of assessment?**
  - If “No” is selected, a message will be displayed to update the Urban Development Zone (s13quat) question in the “Information to create this income tax return” section.
- **Did the company incur costs for the erection, extension or addition relating to low cost housing (s13quat(3A))?**
  - If “No” is selected, the following two fields must be zero in the “Urban Development Zone (s13quat) container:
    - UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential units)
    - UDZ (s13quat) – improvements to existing buildings (low-cost residential units)

#### 12.2.15 SHARES

- **Was there any change in shareholder’s interest during the year of assessment (excluding listed companies)?**
  - Complete the questions by selecting “Yes” or “No”.

#### 12.2.16 COMPANY STRUCTURE

- If “Yes” is selected to this question “**Is the company part of a group companies that prepares consolidated Financial Statements**” this section of the return will display.
  - This field has been introduced into the return from the 2017 year of assessment onwards.
- **Specify the name of the ultimate holding company:** Complete the name of the company free text field;
  - In the case of a Trust being the ultimate holding entity, complete the name of the Trust.
- **Company/CC/Trust registration number:** Complete the registration number of the company or Trust
  - This field has been changed to accept Trust registration numbers in cases where the ultimate holding entity of this structure is a trust.
  - Ensure that the group organogram with the correct information of the Group Structure is uploaded as supporting documents with the submission of the return.
- **Is the ultimate holding company resident outside South Africa?** Specify “Yes” or “No”.
  - **If Yes, specify the tax residency country code of the ultimate holding company:** If the user clicks on this field, a popup is displayed which contains a list box containing a list of valid country names. The popup also contains two buttons: “Ok” and “Cancel”. Alternatively refer to *Annexure F* for a list of all the valid country names.
  - If “No” is selected, complete the following field:
    - **If No, specify the income tax reference number of the ultimate holding company:** Enter the income tax number.
- Select “Yes” or “No” to the following questions:

- **Is the company a partner in an unincorporated joint venture?**
- **Is the company part of a group of companies with a group consolidated turnover greater than R1 billion?**

#### 12.2.17 SUBSIDIARY DETAILS

- If “**Yes**” was selected to this question “**Is the company part of group companies that prepares consolidated Financial Statements?**” this will be a sub container in the Company Structure section of the return.
- **Group Consolidated turnover:** the following consolidated field must be completed.
- **Please confirm that the applicable group structure organogram has been completed and will be attached as a supporting document to this return** (Please refer to External guide - GEN-ENR-01-G07-How to complete and submit your Country by Country information).

#### 12.2.18 MULTINATIONAL ENTITY (MNE)

- If “**Yes**” is selected to this question “**Is the company a member of Multinational Enterprise (MNE) as defined in the Country-by-Country regulations?**” This section of the return will only display (Please refer to External guide - GEN-ENR-01-G07-How to complete and submit your Country by Country information).
- **Specify the tax jurisdiction of the reporting entity of the CBC Report for the MNE Group.** Select the relevant country from the dropdown box. Alternatively refer to *Annexure F* for a list of all the valid country names.
- **Specify the name of the reporting entity:** Complete the free text field
- **Specify the Income Tax number of the reporting entity.**
  - This field will only display if “South Africa” is selected in the tax jurisdiction field.
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Specify the Tax Identification number of the reporting entity**
  - This field will only display if the tax jurisdiction of the reporting entity has been indicated as any other country but South Africa.
  - This field has been introduced into the return from 2019 year of assessment onwards.
- **Specify if the reporting entity is the ultimate parent entity or a surrogate parent entity**
  - Select “Ultimate Parent Entity” or “Surrogate Parent Entity” from the dropdown box.
  - This field has been introduced into the return from 2019 year of assessment onwards.
- **Specify the reporting fiscal year end of the MNE Group (CCYYMMDD)**
  - This field has been introduced into the return from 2019 year of assessment onwards.

### 12.2.19 CRYPTO ASSET TRANSACTIONS (LOCAL / FOREIGN)(EXCLUDING CGT)

- This section has been introduced into the return from the 2019 year of assessment onwards.
- **Were any transactions relating to crypto assets included in the income statement?**
  - Select “Yes” or “No”. If “Yes”, complete the field “*Gross crypto assets amount included in income statement*” field.
- **Did the transaction(s) relating to crypto asset(s) result in a profit?**
  - Select “Yes” or “No”.
    - If “Yes”, the “*Profit relating to crypto asset trading*” field will be available for completion.
    - If “No”, the “*Loss relating to crypto asset trading*” field will be available for completion.
- **Amount of crypto assets included as assets in the Balance Sheet**
  - Complete the “*Amount of crypto asset(s) included as assets in the Balance Sheet*” field.

### 12.2.20 BALANCE SHEET

- The figures to be used for completion are the figures reflected in the annual financial statements of the Company (not the group or consolidated annual financial statements).
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Non-current assets**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Property, plant and equipment;
  - Vehicles: this field has been introduced into the return from the 2016 year of assessment onwards;
  - Investments in associates and joint ventures;
  - Long term loans – interest bearing;
  - Long term loans – interest free;
  - Other non-current assets.
- **Please provide descriptions relating to other non-current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other non-current assets*”. The maximum length is 150 characters.
- **Total non-current assets:** This currency field (15 characters) will be calculated by SARS.
- **Current Assets**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Inventory and work in progress (net after provisions);
  - Trade and other receivables (excl. debtors) – net after provisions;
  - Debtors (excl. trade debtors);

- Cash and cash equivalents;
  - Short-term investments;
  - Other current assets.
- **Please provide descriptions relating to other current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other current assets*". The maximum length is 150 characters.
- **Total current assets:** This currency field (15 characters) will be calculated by SARS.
- **Capital and Reserves**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Non-distributable reserves;
  - Other capital and reserves.
- **Please provide descriptions relating to other capital and reserves listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other capital and reserves*". The maximum length is 150 characters.
- If the company has a debit balance (assessed loss) then complete the "Non-distributable reserves" / "Other capital and reserves" field with a negative value (e.g. -10000).
- If the company has a credit balance then complete the "Non-distributable reserves" / "Other capital and reserves" field then complete this field with a positive value (e.g. 100000).
- **Total Capital and Reserves:** This currency field (15 characters) will be calculated by SARS.
- **Non-Current Liabilities**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Long-term loans;
  - Other non-current liabilities.
- **Please provide descriptions relating to other non-current liabilities listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other non-current liabilities*". The maximum length is 150 characters.
- **Total Non-Current liabilities:** This currency field (15 characters) will be calculated by SARS.
- **Current Liabilities**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Trade and other payables (including accruals);
  - Overdraft and interest bearing short-term borrowings;
  - Other current liabilities.
- Please **provide descriptions relating to other current liabilities listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field "*Other current liabilities*". The maximum length is 150 characters.
- **Total Current liabilities:** This currency field (15 characters) will be calculated by SARS.

## 12.2.21 INCOME STATEMENT

- The figures to be used are the figures reflected in the annual financial statement of the Company (not the group or consolidated annual financial statements).
- When completing the Gross Profit / Loss part of the return, the normal accounting meaning attached to the terms reflected in the tax return must be followed. In the event that a company does not have any cost of sales, for example a property rental company, the turnover and gross profit will be the same amount.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Gross Profit / Loss**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Sales (Turnover);
  - **Plus:** Closing stock;
  - **Less:** Purchases;
  - **Less:** Opening stock.
- **Gross profit – subtotal:** This currency fields (15 characters) will automatically be calculated. Either a gross profit or gross loss applies. If a gross profit applies, the gross loss field is not applicable. If the net figure is R0 (zero), then this value applies to the gross profit field.
- **Gross loss – subtotal:** This currency fields (15 characters) will automatically be calculated. Either a gross profit or gross loss applies. A loss is indicated as a positive value in the gross loss field.
- **Income Items (Only credit amounts)**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Accounting profit on disposal of fixed assets and / or other assets;
  - Admin, Management, secretarial, rentals;
  - Amounts deemed to be dividends *in specie* (s8F and s8FA);
  - Bad and doubtful debts recovered;
  - Dividends (local and foreign) deemed to be income (s8E and s8EA);
  - Tainted Dividends (local and foreign) deemed to be income (s22B).
  - Dividends received;
  - Levy income: This field has been introduced into the return from the 2019 year of assessment;
  - Government grants (national, provincial and local);
  - Insurance proceeds received;
  - Interest (excluding SARS interest (s7E));
  - SARS Interest (s7E);
  - REIT distribution received;
  - Inclusion in Gross Income of a mining company in terms of p (j);
  - Other income.
- **Please provide descriptions relating to other income listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other income*”. The maximum length is 150 characters.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

- **Expense Items (Only debit amounts)**
- The following currency fields (15 characters) must be completed in Rands (No Cents):
  - Accounting loss on disposal of fixed assets/other assets;
  - Admin, Management, secretarial fees, rentals;
  - Alterations and improvements;
  - Bad debts written off;
  - Consulting, legal and professional fees;
  - Depreciation;
  - Directors'/members' remuneration;
  - Donations (s18A);
  - Donations – other;
  - Expenditure incurred by a lessor of land let for farming purpose in respect of soil erosion(s17A);
  - Interest paid;
  - Provision for doubtful debts;
  - Repairs and maintenance;
  - Salaries and Wages (incl. Medical, Pension and Provident Fund Contributions);
  - Travelling expenses;
  - Other expenses (excluding expenses listed above).
- **Please provide descriptions relating to other expenses listed above:** This free text field must only be completed if a value exceeding R0 (zero) was entered in the field “*Other expenses*”. The maximum length is 150 characters.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.
- **Net Profit / Loss**
  - **Net Profit – Subtotal:** This currency field (15 characters) will be calculated by SARS. Either a net profit or net loss applies. If a net profit applies, the net loss field is not applicable. If the net figure is R0 (zero), then this value applies to the net profit field.
  - **Net Loss – Subtotal:** This currency field (15 characters) will be calculated by SARS. Either a net profit or net loss applies. A loss is indicated as a positive value in the net loss field.

## 12.2.22 TAX COMPUTATION

- In all instances where the accounting and tax treatment of items are different, the full accounting amount must be reversed and similarly the full tax treatment amount disclosed.
- For example: Prepayment is claimed for accounting purposes on the income statement but is limited by **s23H**. The portion that is limited (not allowed) must be added back as a credit adjustment. If the relevant payment is on the balance sheet, then only the qualifying portion must be indicated under the “Special allowances not claimed” section.

## 12.2.23 SPECIAL ALLOWANCES NOT CLAIMED IN THE INCOME STATEMENT

- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the special allowances are applicable to the company in Rands (no cents). On eFiling and in the branch, a dropdown box will display from which only those special allowances relevant to the company must be selected and completed:
  - **Restraint of trade (s11(cA)):** This field has been introduced into the return from Year of Assessment 23 February 2000 onwards;

- Wear and tear allowance (s11(e));
- Lease premium allowance (s11(f));
- Improvement to leasehold premises (s11(g));
- Doubtful debt allowance - IFRS applied (s11(j)(i)): This field has been introduced into the return from the 2019 year of assessment onwards;
- Doubtful debt allowance – IFRS not applied (s11(j)(ii)): This field has been introduced into the return from the 2019 year of assessment onwards;
- Loss allowance i.r.o. impairments (s11(jA));
- Amortisation of lump sum contributed to retirement/benefit funds (s11(l));
- Broad-based employee share plan (deduction this year) (s11(lA)): This field has been introduced into the return from Year of Assessment 2005 onwards.
- Depreciable asset allowance (s11(o));
- Expenditure before commencing trade (s11A);
- Deduction against Foreign Dividends (s11C): This field has been introduced into the return from Year of Assessment 2005 to 31 March 2012.
- Research and development deduction (s11D): This field has been introduced into the return from Years of Assessment 2007 onwards.
- Machinery, plant, implements, utensils and articles deduction (s12B)-excluding solar energy; This field has been introduced into the return from 2017 year of assessment.
- Machinery, plant, implements, utensils and articles deduction (s12B) - photovoltaic solar energy of more than 1 megawatt; This field has been introduced into the return 2017 year of assessment.
- Machinery, plant, implements, utensils and articles deduction (s12B) - photovoltaic solar energy not exceeding 1 megawatt; This field has been introduced into the return 2017 year of assessment.
- Machinery, plant, implements, utensils and articles deduction (s12B) - concentrated solar energy; This field has been introduced into the return 2017 year of assessment.
- Manufacturers, hotel keepers, aircraft, ship, storage and packing of agricultural products deduction (s12C);
- Pipelines, transmission and rail deduction (s12D): This field has been introduced into the return from Years of Assessment 2000 onwards.
- Rolling stock (s12DA): This field has been introduced into the return from Years of Assessment 2008 onwards.
- Plant and machinery where company qualifies as a SBC (s12E): This field has been introduced into the return from Year of Assessment 2002 onwards;
- Airport and port assets (s12F): This field has been introduced into the return from Years of Assessment 2008 onwards.
- Learnership agreements registered/in effect (s12H) excluding learners with a disability- agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 YOA onwards);
- Registered Learnership agreements completed in the current year(s12H) - excluding learners with a disability- agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 YOA onwards);
- Learnership agreements registered/in effect (s12H) for learners with a disability - agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 YOA onwards);
- Registered learnership - agreement completed in current year (s12H) for learner with a disability – agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 YOA onwards);
- Learnership Allowance (s12H) - agreements in effect/ completed in current year (agreements entered into on or after 1 October 2016. This field has been introduced into the return from 2017 year of assessment.
- Industrial policy projects: Brownfield projects (s12I): This field has been introduced into the return from Years of Assessment 2009 onwards.
- Industrial policy projects: Greenfield projects (s12I): This field has been introduced into the return from Years of Assessment 2009 onwards.

- Expenditure incurred in exchange for the issue of Venture Capital Company shares (s12J): This field has been introduced into the return from Years of Assessment 2010 onwards.
- Certified Emission Reduction – Exemption (s12K): This field has been introduced into the return from Years of Assessment 2009 onwards.
- Energy efficiency savings deduction (s12L): This field has been introduced into the return from Years of Assessment 2013 onwards.
- Deduction of medical lump sum payments (s12M): This field has been introduced into the return from Year of Assessment 2010 onwards;
- Improvements not owned by the company (s12N): This field has been introduced into the return from years of assessment 2015 onwards;
- Improvements on property of which government holds a right of use or occupation (s12NA): This field has been introduced into the return from years of assessment 2015 onwards;
- Deductions in respect of buildings in special economic zones (s12S) (This field has been introduced into the return from the 2016 YOA onwards);
- Deductions in respect of roads and fences in respect of production of renewable energy (s12U); This field has been introduced into the return as from 2017 year of assessment.
- Deduction for buildings used in a manufacturing process (s13);
- Hotel building deduction (s13bis);
- Residential building deduction (s13ter);
- UDZ (s13quat) - erection of a new building and /or extensions or additions to any existing buildings (exc. low - cost residential units) This field has been introduced into the return from Year of Assessment 2017 onwards.
- UDZ (s13quat) - improvements to existing buildings (exc low - cost residential units) This field has been introduced into the return from Year of Assessment 2017 onwards;
- UDZ (s13quat) - erection of a new building and /or extensions or additions to any existing buildings (low- cost residential units) This field has been introduced into the return from Year of Assessment 2017 onwards;
- UDZ (s13quat) - improvements to existing buildings (low- cost residential units) This field has been introduced into the return from Year of Assessment 2017 onwards;
- Commercial building deduction (s13quin): This field has been introduced into the return from Year of Assessment 2008 onwards;
- Residential unit deduction (s13sex): This field has been introduced into the return from Year of Assessment 2009 onwards;
- Low cost residential unit deduction (s13sept): This field has been introduced into the return from Year of Assessment 2009 onwards;
  - **Note** that this field is **not** applicable on the below:
    - For companies with a financial year- end of January and February, from the 2023 year of assessment
    - For companies with a financial year-end of any month between March and December, from the 2022 year of assessment.
- Redemption allowance (mining operations)(s15(a)): This field has been introduced into the return as from 2017 year of assessment
- Reversal of closing values of work in progress (s 22(2A)) - previous year: This field has been introduced into the return from Year of Assessment 2003 onwards;
- Reversal of closing values of consumable stock and spare parts (previous year): This field has been introduced into the return from Year of Assessment 2000 onwards;
- Prepaid expenditure not limited by s23H: Only applicable from Year of Assessment 2000 onwards;
- Credit agreement and debtors allowance (hire-purchase) (s24);
- Allowance for future expenditure (s24C);
- Interest Incurred (s24J and s24JA);
- Mark-to-market treatment in respect of financial assets and liabilities (s24JB) (applicable from the 2016 YOA onwards);
- Incurral of amounts in respect of interest rate agreements(s24K); This field has been introduced into the return as from 2017 year of assessment;



- Incurral of amounts in respect of option contracts (s24L); This field has been introduced into the return as from 2017 year of assessment
  - Incurral of amounts in respect of assets acquired for unquantified amount(s24M); This field has been introduced into the return as from 2017 year of assessment;
  - Incurral of amount in respect of acquisition of equity share(s24N); This field has been introduced into the return as from 2017 year of assessment;
  - Incurral of interest in respect of certain debts deemed to be in the production of income(s24O);
  - Allowance in respect of future repairs to certain ships(s24P); This field has been introduced into the return as from 2017 year of assessment;
  - Qualifying distributions by a REIT (s25BB) (This field has been introduced into the return from the 2016 YOA onwards. All the distributions made towards the REIT should be included on this field.
  - Deductions in respect of co-operatives (s27);
  - Cash contributions to Rehabilitation Trust Fund/ Company (s37A); This field has been introduced into the return as from 2017 year of assessment;
  - Environmental assets deduction: treatment and recycling assets (s37B) (This field has been introduced into the return from the 2016 YOA onwards);
  - Environmental assets deduction : waste disposal assets (s37B) (This field has been introduced into the return from the 2016 YOA onwards);
  - Environmental conservation and maintenance deduction (s37C);
  - Lease payments on capitalised leased assets;
  - Allowance in respect of land conservation in respect of nature reserves or national parks (s37D). This field has been introduced into the return from the 2016 YOA onwards;
  - Deductions for assets acquired in exchange for shares or debt issued(s40CA); This field has been introduced into the return from 2017 year of assessment;
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.

#### 12.2.24 DEBIT ADJUSTMENTS (DECREASE NET PROFIT/INCREASE NET LOSS)

- NON-TAXABLE AMOUNTS CREDITED TO THE INCOME STATEMENT
- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the adjustment is applicable to the company in Rands (no cents). A dropdown box will display from which only those adjustments relevant to the company must be selected and completed:
  - Accounting interest received/receivable;
  - Accounting profit on disposal of fixed and/or other assets;
  - Adjustments to comply with IFRS: Accounting;
  - Adjustments to comply with IFRS: Fair value;
  - Amounts previously taxed as received in advance;
  - Dividends(local and foreign) deemed to be income (s8E and s8EA);
  - Amounts deemed to be dividends *in specie*(s8F and s8FA);
  - Exempt local dividends
  - Exempt foreign dividends s10(1)(k)(ii);
  - Income exempt in respect of mining rehabilitation company (s10(1)(cP)): This field has been introduced into the return from the 2019 year of assessment;
  - Exemption in terms of s10(1)(t)
  - Exemption in terms of s10(1)(yA)

- Fruitless and wasteful expenditure recovered (s10(1)(zL)):
    - This field has been introduced into the return from the 2019 year of assessment onwards and to entities subject to the Public Finance Management Act, 1999;
    - This field will be pre-populated with the value declared in the Income Statement;
  - Other income exempt from tax i.t.o. s10(1) not included elsewhere;
  - Exempt foreign dividends (s10B);
  - Exemption in respect of films (s12O): (moved to the container: **Tax Computation, Debit Adjustments, and Non-Taxable Amounts Credit to the Income Statement**. This field has been introduced into the return from the 2016 YOA onwards for all tax years);
  - Exempt income received or accrued in respect of government grants s(12P): This field has been introduced into the return from 2015 YOA onwards;
  - Income exempt in respect of ships used for international shipping (s12Q): This field has been introduced into the return from 2015 YOA onwards;
  - Foreign exchange gain adjustment(s24I)(excluding s24I(4));
  - Foreign exchange gain adjustment relating to debt (s24I(4));
  - Foreign currency translation adjustment(s25D);
  - Income not taxable by virtue of a double taxation agreement: This field has been introduced into the return from 2015 YOA onwards.
  - Prohibition of deductions in respect of certain intellectual property (s23I)
  - Mineral and Petroleum Resources Royalty adjustment;
  - Receipts and/or accruals of a capital nature;
  - Reversal of provisions;
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

#### 12.2.25 CREDIT ADJUSTMENTS (INCREASE NET PROFIT/DECREASE NET LOSS)

- NON-DEDUCTIBLE AMOUNTS DEBITED TO THE INCOME STATEMENT
- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). A dropdown box will display from which only those special allowances relevant to the company must be selected and completed:
  - Accounting interest paid/payable;
  - Accounting losses derived from foreign sources (excluding CFC): This field has been introduced into the return from Years of Assessment 2000 onwards.
  - Accounting loss on disposal of fixed and or other assets;
  - Adjustments to comply with IFRS: Accounting: This field has been introduced into the return from Years of Assessment 2006 onwards.
  - Adjustments to comply with IFRS: Fair value: This field has been introduced into the return from Years of Assessment 2006 onwards.
  - Mineral and Petroleum Resources Royalty adjustment; This field has been introduced into the return from 2017 year of assessment
  - Amortisation of lease premiums and improvements to leasehold premises:
  - Capital expenditure and/or losses;
  - Depreciation according to financial statements:
  - Expenses attributable to exempt income – Local;
  - Expenses attributable to exempt income – Foreign
  - Interest paid in respect of capitalised leased assets:

- Lump sum contributions to retirement and / or benefit funds.
  - Provision for doubtful debt not deductible in current year;
  - Provisions not deductible current year (excluding doubtful debt);
  - Amounts deemed to be dividends in specie(s8F and s8FA);
  - Expenses not actually incurred in the production of income (s11(a))
  - Limitation expenditure incurred by lessor of land for farming purposes in respect of soil erosion (s17A); This field has been introduced into the return from 2017 year of assessment.
  - Donations (s18A):
  - Donations – Other:
  - Deductions not allowable in determination of taxable income(s23); This field has been introduced into the return from 2017 year of assessment;
  - Fruitless and Wasteful expenditure: This field has been introduced into the return from 2019 year of assessment and to entities subject to the Public Finance Management Act 1999;
  - Amounts in respect of assets subject to a sale and leaseback arrangement(s23G); This field has been introduced into the return from 2017 year of assessment;
  - Prepaid expenditure not allowed under s23H: This field has been introduced into the return from year of assessment from 2000 onwards;
  - Expenditure incurred on or after 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J) exceeding R5 million
  - Amounts in respect of certain(tainted) intellectual property(s23I); This field has been introduced into the return from 2017 year of assessment;
  - Interest non-deductible in terms of s23K: This field has been introduced into the return from year of assessment 2011 and onwards:
  - Short term insurance policy premiums not allowable (s23L): This field has been introduced into the return from years of assessment 2015 onwards;
  - Interest not allowable in respect of debts owed to person(s) not subject to tax (s23M): This field has been introduced into the return from years of assessment 2015 onwards;
  - Limitation of interest deduction under s23N: This field has been introduced into the return from years of assessment 2014 onwards.
  - Foreign exchange loss adjustment(s24I)(excluding s24I(4)); This field has been introduced into the return from 2017 year of assessment
  - Foreign exchange loss adjustment relating to debt (s24I(4)): This field has been introduced into the return from 2019 year of assessment;
  - Foreign currency translation adjustment(s25D); applicable as from 2017 year of assessment;
  - Financial assistance (s31);
  - Transfer pricing adjustments (excluding thin capitalisation adjustments);
  - Expenditure attributable to the issue of shares or granting of option or rights for no consideration(s40C); This field has been introduced into the return from 2017 year of assessment
  - Capital Improvement - Farming operations (paragraph 12 of the First Schedule);
  - Dividends deemed to be ordinary income (s8E and s8EA);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.

#### **12.2.26 ALLOWANCES/DEDUCTIONS GRANTED IN PREVIOUS YEARS OF ASSESSMENT AND NOW REVERSED**

- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). A dropdown box will display from which only those special allowances relevant to the company must be selected and completed:
  - Doubtful debt allowance – IFRS applied (s 11(j)(i)): Amount will be pre-populated with the amount reflected in “Special Allowances not claimed in Income Statement”. This field has been introduced into the return from 2020 year of assessment onwards.
  - Doubtful debt allowance – IFRS not applied (s 11(j)(ii)): Amount will be pre-populated with the amount reflected in “Special Allowances not claimed in Income Statement”. This field has been introduced into the return from 2020 year of assessment onwards;
  - Loss allowance i.r.o. impairments (s 11(jA));
  - Credit agreements and debtors allowance (hire-purchase) (s24);
  - Allowance for future expenditure (s24C);
  - Allowance in respect of future repairs to certain ship(s24P);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

#### 12.2.27 AMOUNTS NOT CREDITED TO THE INCOME STATEMENT

- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). A dropdown box will display from which only those special allowances relevant to the company must be selected and completed:
  - Amounts received in advance;
  - Amounts accrued but not received;
  - Closing value of consumable stock and spare parts;
  - Closing balance of stock values of work in progress - (s22(2A)): This field has been introduced into the return from year of assessment 2003 and onwards;
  - Interest accrued (s24J and s24JA);
  - Mark-to-market treatment in respect of financial assets and liabilities (s24B) (This field has been introduced into the return from the 2016 YOA onwards);
  - Accrual of amounts in respect of interest rate agreements(s24K);
  - Accrual of amounts in respect of option contracts(s24L);
  - Accrual of amounts in respect of assets acquired for unquantified amount(s24M);
  - Accrual of amount in respect of acquisition of equity share(s24N);
  - Income deemed to be from a South African source;
  - Loans/advances granted by an insurer (p (m) of definition of “gross income”);
  - Transfer pricing adjustment (excluding financial assistance);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must only be completed if a value exceeding R0 (zero) was entered in the field “Other”.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

#### 12.2.28 RECOUPMENT OF ALLOWANCES/EXPENSES PREVIOUSLY GRANTED

- Please select/de-select the relevant fields and complete the currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). A dropdown box

will display from which only those special allowances relevant to the company must be selected and completed:

- Bad debts;
  - Capital expenditure - p (j) definition “gross income” s1;
  - Foreign tax credits refunded / discharged previously allowed in terms of s6quat(1C);
  - Wear and tear (s8(4));
  - Lease charges (s8(5));
  - Industrial policy project (s12I);
  - Amount recouped in respect of VCC shares sold, for which a tax deduction was allowed: This field has been introduced into the return from Year of Assessment 2015 onwards.
  - Reduction of debt (s19): This field has been introduced into the return from Year of Assessment 2015 onwards.
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.
  - **Amounts to be Included in the Determination of Taxable Income before s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
    - The following note has been introduced into the return from the 2015 year of assessment:
      - Allowable s18A donations and related carry-overs will be calculated by SARS.
    - The following note has been introduced into the return from the 2019 year of assessment:
      - The information relating to s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
  - **Amounts to be Included in the Determination of Taxable Income before the deduction of s7F SARS interest repaid, s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
    - The following note has been introduced into the return from the 2020 year of assessment onwards:
      - The information relating to s7F SARS interest repaid, s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
  - **Calculated profit excluding net income from CFC:** This currency field (15 characters) will automatically be calculated. Either a calculated profit or calculated loss applies. If a calculated profit applies, the calculated loss field and associated source code is not applicable. If the net figure is R0 (zero), then this value applies to the calculated profit.
    - **Source Code:** If a calculated profit applies, this source code is compulsory for completion. Numeric field, a pop-up list will be displayed. Alternatively the source code booklet will be available on [www.sars.gov.za](http://www.sars.gov.za).
  - **Calculated loss:** This currency field (15 characters) will automatically be calculated. Either a calculated profit or calculated loss applies. If a calculated loss applies, the calculated profit

field and associated source code is not applicable. A loss is indicated as a positive value in the calculated loss field.

- **Source Code:** If a calculated loss applies, this field is compulsory for completion. Otherwise this field is not applicable. Numeric field, a pop-up list will be displayed.
- **Imputed net income from CFC:** This currency field (15 characters) must be completed in Rands (No Cents)).

#### 12.2.29 TAX ALLOWANCES/LIMITATIONS

- **Note:** Schedules must be prepared in all cases where the questions below are answered in the affirmative. The schedules must be retained for a period of 5 years after submission of this return.
  - **In terms of which sub-paragraph of s10(1)(t) was the exemption claimed?**
    - This field is applicable from the 2021 tax year onwards.
    - Select the applicable sub-paragraph in s 10(1)t), in terms of which the exemption on receipts and accruals is claimed, from the list Sub-paragraph (i)
      - Sub-paragraph (ii)
      - Sub-paragraph (iii)
      - Sub-paragraph (iv)
      - Sub-paragraph (v)
      - Sub-paragraph (vi)
      - Sub-paragraph (vii)
      - Sub-paragraph (ix)
      - Sub-paragraph (x)
      - Sub-paragraph (xvi)
  - **Is the amount claimed as an exemption in terms of s10(1)(yA) received or accrued in terms of an official development assistance agreement (ODAA) that is binding under section 231(3) of the Constitution of the Republic of South Africa? Select “Yes” or “No”**
    - This field is applicable from the 2021 tax year onwards
    - If “Yes” answer the following questions:
      - Is the amount received or accrued in relation to projects approved by the Minister? Select “Yes” or “No”
      - Was the agreement concluded on or after 1 January 2007? Select “Yes” or “No”
        - If “Yes”, does the agreement provide for the exemption of related receipts and accruals? Select “Yes” or “No”
- **Did the company exclude all foreign dividends contemplated in s10B (2) (a) from the amount claimed in the “Exempt foreign dividends (s10B)” field in the Tax Computation? Select “Yes” or “No”**
  - This is applicable from the 2021 tax year onwards
  - Note that where a value of more than zero is declared in the “*Exempt foreign dividends (s10B)*” field in the tax computation and the answer to the question “*Is the company a real estate investment trust*” in the Additional Assessment Information section is “Yes”, this question must be completed.
- **Did the company obtain approval from the Department of Science and Technology as contemplated in s11D?** This field must **only be completed** if the field ‘*Research and development deduction (s11D)*’ in the Income Statement was completed. Select “Yes” or “No”. If the response to this question is “No”, an s11D deduction will not be allowed. This field has been introduced into the return from the 2015 year of assessment onwards.

- **Note:** s11D is amended to make provision for an exception with regards to the prescription period of 3 years for an assessment where the pre-approval of the R&D was delayed by the Dept. of Science & Technology.
- **Did the company make any contributions to the benefit of the employees to any pension, provident or medical fund in excess of 20% of the approved remuneration (s11(l))?**
  - This field must **only be completed** if the field *Amortisation of lump sum contributed to retirement/benefit funds (s11(l))* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Was the doubtful debt allowance as referred to in s11(j) based on a fixed percentage of all debtors as at year end in respect of the current year of assessment?**
  - This field must **only be completed** if the field *Doubtful debt allowance (s11(j))* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Information with regards to Doubtful Debt Allowance Claimed: s11(jA):**
  - If an amount greater than R0 was entered into the “*Allowance i.r.o. impairment (s11(jA))*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – s11(jA)*” container will be displayed for completion.
    - Complete the “*IFRS Accounting provision*” fields:
      - The rates are as follows and is fixed: 25%; 40% and 85%
      - The “**Allowance**” field will be auto-calculated.
      - The total fields for “*IFRS Accounting provision*” and “*Allowance*” will be auto-calculated.
        - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Information with regards to Doubtful Debt Allowance Claimed – IFRS Applied: s11(j)(i)**
  - If an amount greater than R0 was entered into the “*Doubtful Debt Allowance Claimed – IFRS Applied: s11(j)(i)*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – IFRS Applied:s11(j)(i)*” container will be displayed for completion.
    - **Indicate whether a directive was issued by SARS approving a rate up to 85%**
      - Select “Yes” or “No”.
      - If “Yes”, complete the field “*Specify the approved weighted average rate*”.
        - The percentage entered will then be pre-populated in the *Accounting Provisions* field.
      - If “No”, only the IFRS Accounting provisions fields for rates 25% and 40% will be displayed for completion.
    - **Complete the “IFRS Accounting provisions” fields:**
      - **The 25% and 40% rates will be fixed.**
      - **The “Allowance” field will be auto-calculated.**
      - **The total fields for “IFRS Accounting provisions” and “Allowance” will be auto-calculated.**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Information with regards to Doubtful Debt Allowance Claimed – IFRS Not Applied: s11(j)(ii)**
  - If an amount greater than R0 was entered into the “*Doubtful Debt Allowance Claimed – IFRS Not Applied: s11(j)(i)*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – IFRS Not Applied:s11(j)(i)*” container will be displayed for completion.

- **Indicate whether a directive was issued by SARS approving a rate up to 85%**
    - Select **“Yes”** or **“No”**.
    - If **“Yes”**, complete the field *“Specify the approved weighted average rate”*.
      - The percentage entered will then be pre-populated in the Accounting Provisions field.
    - If **“No”**, only the *“Overdue debt”* fields for rates 25% and 40% will be displayed for completion.
  - **Complete the *“Overdue debt”* fields:**
  - **The 25% and 40% rates will be fixed.**
  - **The *“Allowance”* field will be auto-calculated.**
  - **The total fields for *“Overdue debt”* and *“Allowance”* will be auto-calculated.**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Did the company submit the information as required by s12H(8) to the registered SETA? (Applicable from 2020 year of assessment and onwards)**

This field must only be completed if the field *learnership agreements registered/in effect (s12H)* was completed in the Tax Computation: Special Allowances Not Claimed in the Income Statement. Select **“Yes”** or **“No”**.

- **Note:** A company can claim a deduction for registered learnership agreements in terms of the provisions of s12H.
    - The agreement must be registered with the relevant Sector Education Training Authority (SETA) in the prescribed manner.
    - For more information refer to the following publications on the SARS website:
      - Guide on Learnership Agreements
      - Interpretation Note: No. 20 (Issue 4) – s12H – Additional Deduction For Learnership Agreements
    - **Note:** The following relevant material must be made available on request by SARS:
      - A copy of the learnership agreement
      - Confirmation of the SETA registration,
      - The employment contract; and
      - Adequate proof that the learnership has been completed successfully or a confirmation from the SETA (if obtained within that year of assessment).
- **Did the company obtain a certificate issued by the SANEDI in respect of energy efficiency savings for the purposes of claiming a s12L deduction? Select **“Yes”** or **“No”**.**
    - This field has been introduced into the return from the 2015 year of assessment onwards
    - This field must only be completed if the field *‘Energy efficiency savings deductions (s12L)’* was completed in the Tax computation: *Special Allowances: Not Claimed in the Income Statement* section.
      - Does the company confirm that the allowance claimed in respect of s12L is not related to any amount received or accrued already exempt in terms of s12K?
        - This field has been introduced into the return from the 2019 year of assessment onwards.
        - Mandatory to complete if *“Energy efficiency savings deduction (s12L)”* and *“Certified Emission Reductions Exemption (s12K)”* fields have been completed with amounts greater than R0.
- **Does the company carry on any business as a hotel keeper (s13bis)?**



- This field must **only be completed** if the field *Hotel building deduction (s13bis)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Was the allowance claimed in respect of s13ter for the erection of at least 5 residential units?**
  - This field must **only be completed** if the field *Residential building deduction (s13ter)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Does the company use a building in the production of income in respect of trade other than the provision of residential accommodation (s13quin)?**
  - This field must **only be completed** if the field *Commercial building deduction (s13quin)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Did the company incur any insurance premiums on the lives of employees or directors?**
  - This field must be completed with a “Yes” or “No”.
  - If “Yes” is selected, the following currency field (15 characters) must be completed in Rands (No Cents):
  - **If “Yes”, state the total amount of insurance premiums incurred during the year of assessment.**
- **Did the company enter into an instalment sale agreement as referred to in s12DA to use the rolling stock as an asset to generate income? Select “Yes” or “No”**
  - If “Yes”, complete the following question: was the rolling stock brought into use on or before 28 February 2022? Select “Yes” or “No”.
  - This will be displayed when a value more than zero was declared in the field: “Rolling stock (s12DA). This field is applicable from the year 2022 tax year onwards.
  - This question must **only be completed** if the field *Rolling stock (s12DA)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*
- **Was the allowance claimed in terms of s12F only in relation to assets used directly in the production of income? Select “Yes” or “No”.**
  - If “Yes”, complete the following question: Was the asset brought into use on or before 28 February 2022? Select “Yes” or “No”
  - This field is applicable from the 2022 tax year onwards.
  - The question must **only be completed** if the field *Airport and port assets (s12F)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. This field is applicable from the 2016 YOA onwards.
- **Was the industrial policy project for which an allowance was claimed approved by the Minister of Trade and Industry (s12I)?**
  - This field must **only be completed** if the field *Industrial policy projects: Brownfield projects (s12I) or Industrial policy projects: a Greenfield project (s12I)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Was the allowance claimed in terms of s24C in relation to contract(s)?**

- This field must **only be completed** if the field *Allowance of future expenditure (s24C)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Was an allowance claimed in respect of an industrial policy project in any previous years of assessment (s12I)?**
  - This field has been introduced into the return from 2017 year of assessment onwards.
  - Select “Yes” or “No”.
  - If “Yes”, complete the following question:
    - **Did the status of the project change from “preferred” to “qualifying” during the current year of assessment (s12I)?**
    - Select “Yes” or “No”.
- **Did the company receive a certificate from the venture capital company for which a deduction as claimed (s12J)?** – this field is only applicable to years prior to 2015 year of assessment
  - **This field must only be completed** if the field *Deduction in respect of Venture Capital Company shares (s12J)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Is the company the owner of the film as contemplated in s12O?**
  - This field must **only be completed** if the field *Exemption in respect of films (s12O)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Is the building for which an allowance is claimed used in the process of manufacturing (s13)?**
  - This field must **only be completed** if the field *Deduction for buildings used in a manufacturing process (s13)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Is the company the owner of the film as contemplated in s24F?**
  - This field must **only be completed** if the field *Film allowance (s24F)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Does the company confirm that no other building allowances were claimed in respect of the same building for which the s12S allowance was claimed?**
  - This field has been introduced into the return from the 2017 year of assessment onwards. Select either “Yes” or “No”. This field must be completed if ‘*Deduction in respect of buildings in special economic zones (12S)*’ has a value greater than 0.
- **Did the company incur any interest in respect of debt(s) owed to person(s) not subject to tax as contemplated in s23M?**
  - This question has been introduced into the return from the 2016 year of assessment onwards. Select either “Yes” or “No”.

- A new sub question will be added **“Is the company carrying on banking, financial services or insurance business?”** If **“Yes”** is selected, the following question will be asked **“Is the company a “covered person” as envisaged in s24JB?”**
  - If **“Yes”** is selected; **“Allowance in respect of impairments (s11(jA))”** will be displayed for Small and Medium to Large Companies, in the **“Special Allowances Not Claimed in the Income Statement”** container and in the **“Allowances / Deductions Granted in Previous Years of Assessment and now Reversed”** container.
  - If **“No”** is selected, **“Allowance in respect of impairments (s11(jA))”** must not be displayed in the dropdown list for Small and Medium to Large Companies in the **“Special Allowances Not Claimed in the Income Statement”** container and in the **“Allowances / Deductions Granted in Previous Years of Assessment and now Reversed”** container. The following fields will be displayed:
    - Doubtful Debt allowance – IFRS applied (s11(j)(i))
    - Doubtful Debt allowance – IFRS not applied (s11(j)(ii))
      - This field has been introduced into the return from the 2019 year of assessment onwards.
- Covered person is defined in s24JB(1) as:
  - Any authorised user, as defined in s1 of the Financial Markets Act, that is a company (i.e. brokers that are members of the approved exchange)
  - The South African Reserve Bank
  - Any bank, branch, branch of a bank or controlling company as defined in s1 of the Banks Act (e.g. local banks, local branches of foreign banks, foreign branches of local banks, and controlling companies in respect of banks)
  - Any company or trust that forms part of the banking group (as defined in s1 of the Banks Act) but excluding:
    - A company that is a long-term insurer (as defined in the long-term Insurance Act)
    - A company that is a short-term insurer (as defined in s1 of the short-term Insurance Act)
    - A company of which more than 50% of the shares are directly or indirectly held by a company which is a short-term or long term insurer if that company does not form part of the same group of companies as a bank.
  - **Was a certificate obtained by the company in terms of the Conversation of Agriculture Resource Act, 1983(s17A)?** This field has been introduced into the return from the 2017 year of assessment
    - Select either **“Yes”** or **“No”**.

### 12.2.30 INCURRAL OF INTEREST IN RESPECT OF CERTAIN DEBTS DEEMED TO BE IN THE PRODUCTION OF INCOME (S24O)

- Information with regards to Incurral of Interest in respect of Certain Debts Deemed to be in the Production of Income (s24O)
- Please from the tick box to confirm that the amount has not been claimed anywhere else in this return?
- Select Y or N for the following: Has the company entered into an acquisition transaction during the year of assessment? If **“Yes”** is selected, the following two questions will appear:
  - Did the company acquire an equity share in another company from a person that does not form part of the same group of companies as an operating company? If **“Yes”** is selected, the following question will appear:

- Did the company and the operating company form part of the same group of companies at the end of the day of that transaction as defined in section 41? If “Yes” is selected, the following questions will appear:
  - Is that other company an operating company on the date of acquisition of that equity share?
  - Does at least 80 per cent of the aggregate amount received by or accrued to the operating company during the year of assessment constitutes income in the hands of the operating company?
  - Is the income received by or accrued to derived from a business carried on continuously by the operating company?
  - Is the income received by or accrued to derived in the course or furtherance of which goods or services are provided or rendered by the operating company for a consideration?
  - Is the company a controlling company in relation to the operating company at the end of the day of that transaction?
  - Does the equity share acquired constitute a qualifying interest in the operating company?
  - Did the company acquire an equity share in another company from a person that does not form part of the same group of companies as an operating company?
  - **Note:** If ‘N’ is selected to the above questions, a warning message will be displayed to indicate that the “You do not qualify for an “Incurral of interest in respect of certain debts deemed to be in the production of income (s24O)” deduction. Click on Y/N on the warning message.
  
- Did the company acquire an equity share in another company and that other company is a controlling group company in relation to an operating company? If “Yes” is selected, the following two questions will appear:
  - Is the company a controlling group of company in relation to that other controlling group company at the end of the day of that transaction?
  - Did that company and that other controlling group of company form part of the same group of companies as defined in s41 at the end of the day of that transaction?
    - Is that other company an operating company on the date of acquisition of that equity share?
    - Does at least 80 per cent of the aggregate amount received by or accrued to the operating company during the year of assessment constitutes income in the hands of the operating company?
    - Is the income received by or accrued to derived from a business carried on continuously by the operating company?
    - Is the income received by or accrued to derived in the course or furtherance of which goods or services are provided or rendered by the operating company for a consideration?
    - Is the company a controlling company in relation to the operating company at the end of the day of that transaction?
    - Does the equity share acquired constitute a qualifying interest in the operating company?
    - Note: If ‘N’ is selected to the above questions, a warning message will be displayed to indicate that the “You do not qualify for an “Incurral of interest in respect of certain debts deemed to be in the production of income (s24O)” deduction. Click on Y/N on the warning message.

### 12.2.31 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS

- This section will be displayed if the representative/public officer selected “Yes” to the question ‘Does *the company want to claim donations made to an approved organisation in terms of s18A?*’

- Note: If the PBO source code 4011 is less than 10 number of PBO captured on the Wizard, the fields will lock.
- When more than 10 PBOs is captured on the Wizard, The form will auto calculates the amount, a value more than the total amount of the 10 pre-populated on the 4011 field will be displayed.
- **Solidarity Fund Donations (excl. any other Donations)**
  - Complete the 'Total amount donated to the Solidarity Fund during 1 April 2020 to 30 September 2020' next to source code 4055 (Applicable for the 2020 and 2021 years of assessment only)
  - Complete the "PBO number"
- **Donations (excl. Solidarity Fund Donations)**
  - Complete the 'Total amount donated during the year of assessment' next to source code 4011.
- **Complete the details of the organisation(s) to whom donations were made**
  - If the answer to the question '*How many organisations did the company donate to?*' is 10 or less, complete the details (PBO number and amount donated to the organisation(s)).
- **Complete the details of the 10 organisations to whom donations with the highest monetary value were made**
  - If the answer to the question '*How many organisations did the company donate to?*' is more than ten, complete the details of the PBO number and amount donated to the organisation(s).
- **PBO number**
  - Complete the PBO number.
- **Amount donated to this organisation**
  - Complete in rand value the amount donated to the relevant organisation during the year of assessment.

#### **12.2.32 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS IN RESPECT OF A COLLECTIVE INVESTMENT SCHEME**

- This section will be displayed if the Representative/Public Officer selected "**Yes**" to the questions '*Is the company a collective investment scheme?*' and '*Does the company want to claim donations made to an approved organisation in terms of s18A.*'
- **Total amount donated during the year of assessment**
  - Complete the total amount donated in rand to approved organisation(s).
- **Average value of aggregate of all participatory interests held by investors in the portfolio**
  - Complete the average value of all participatory interests held by investors in the portfolio in rand value.

### 12.2.33 INVESTMENTS IN VENTURE

### 12.2.34 CAPITAL COMPANIES (VCC)

- Government has implemented a tax incentive for investors in selected enterprises through a Venture Capital Company (VCC) regime. VCCs are intended to be a marketing vehicle to attract retail investors. An investor is any taxpayer who qualifies to invest in an approved Venture Capital Company. There are no special tax benefits for the VCC, only standard tax rules will apply.
- From 1 January 2009, investors can claim expenditure incurred in exchange for the issue of VCC shares as a deduction from income in terms of s12J. This deduction will not be subject to recoupment if the VCC shares are held for longer than five years from 1 January 2015 (the same applies in respect of a return of capital where those shares are held for longer than five years from 1 January 2018). Secondary trades in VCC shares will not avail the investor of the same tax benefit.
- The list of all approved VCCs can be found on the SARS website ([www.sars.gov.za](http://www.sars.gov.za)).
- **Please note:** Any deduction that may be allowed in terms of s12J to a person who intends to or who makes an investment in SARS approved VCCs does not entitle that person to a tax directive under p11 of the Fourth Schedule.
- The deduction in terms of s12J is claimed in the Tax Computation – Special Allowances not claimed in the Income Statement section of the return. If the shares in respect of which a s12J deduction was claimed are sold within a period of 5 years, the recoupment must be declared in the Tax Computation – Recoupment of Allowances/Expenses previously granted.
- This section will be displayed if the company indicated that it made investments in VCC by selecting ‘**Yes**’ to the following question ‘*Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during this year of assessment?*’
- **Please note: Only the expense incurred in exchange for the issue of shares will entitle the investor to the tax benefit. Where that original investor sells these shares to another person the tax benefit will NOT apply.**
- Note that this section will be repeated in line with your answer to the question ‘*Specify the number of investments made in SARS approved Venture Capital Companies*’.
- Where your answer to the question ‘*Specify the number of investments made in SARS approved Venture Capital Companies*’ is greater than 20, complete the 20 investments in respect of which the largest (rand value) expense was incurred on the return.
- **‘Amount invested in a Venture Capital Company before 21 July 2019 in exchange for the issue of shares during the year of assessment’**
  - Complete the amount
    - Apply from the 2019 year of assessment and onwards, but not applicable from 2021 year of assessment and onwards.
- **‘Amount invested in a Venture Capital Company on or after 21 July 2019 in exchange for the issue of shares during the year of assessment’**
  - Complete the amount
    - Apply from the 2019 year of assessment and onwards.

- **Complete the details of the investments made below:**
  - **Name of SARS approved VCC**
    - Complete the name of the SARS approved VCC
  - **VCC number**
    - Complete the VCC number
  - **Date of issue of VCC shares (CCYYMMDD)**
    - Complete the date of issue of the VCC shares.
  - **Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment**
    - Complete the amount in rand value invested in the VCC in exchange for the issue of shares.

#### **12.2.35 DEDUCTION (I.T.O. s7F) OF INTEREST REPAYED TO SARS THAT WAS PREVIOUSLY TAXED I.T.O. s7E**

- S7E was introduced to the IT Act and specified SARS interest (payable i.t.o. a tax Act) needs to be declared in the year that SARS paid the interest (and not when it accrued). SARS interest that is paid back subsequently can be claimed as a deduction in that year of assessment in terms of s7F (limited to the amount of SARS Interest declared in terms of s7E).
- This provision applies from the 2019 year of assessment onwards.
- This section will be displayed if the Representative/Public Officer selected “**Yes**” to the question ‘*Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?*.’
- Complete the field “**Amount of SARS interest repaid that was previously taxed i.t.o.s7E**”
  - **Source code 4052**

#### **12.2.36 DEDUCTION I.T.O. s6quat(1C) FOR FOREIGN TAXES PAID OR PROVED TO BE PAYABLE TO A FOREIGN GOVERNMENT OF ANY COUNTRY ON ANY SA SOURCED TRADE INCOME**

- If “**Yes**” is selected to this question “*Will the company be claiming a deduction on SA sourced trading income i.t.o. s6quat(1C)?*” this section of the return will only display with the following questions:
  - **Deduction i.t.o. s6quat(1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sources trade income**
    - This field has been introduced into the return from the 2019 year of assessment onwards
    - Complete the relevant amount.
    - Source code 4053
  - **Did the company have a right of recovery other than a right of recovery i.t.o. mutual agreement procedure, or any entitlement to carry back losses arising during any previous year of assessment?**
    - Select “**Yes**” or “**No**”.

- **Was the foreign tax amount refunded to the company during this year of assessment?** Select “Yes” or “No”
- **Taxable income from SA sourced trade income taxed outside SA (before taking into account any allowable deductions i.t.o. s18A and s6quat(1C), as these deductions will be calculated by SARS)**
  - **Note:** This income must have been declared elsewhere in this return.
  - Complete the amount.
  - This field has been introduced into the return from the 2019 year of assessment onwards.

## 12.2.37 LOCAL OR FOREIGN CAPITAL GAINS/LOSSES

- **Determining a capital gain or a capital loss**
- The Proceeds (selling price of the asset - Part VI of the Eighth Schedule) and the Base Cost (which includes the acquisition cost, improvement cost and direct cost in respect of the acquisition and disposal of the asset - Part V of the Eighth Schedule) must be completed to calculate the capital gain or loss.
- **Schedule of Local /Foreign Capital Gain and Losses in respect of the disposal of Assets (including crypto assets)**
  - The “Schedule of Local Capital Gains and Losses in respect of the disposal of assets (including crypto assets)” will only display on the return if the answer to the question **“Did the company have any transactions or events which resulted in a locally/foreign sourced capital gain or loss (including crypto assets)?”** in the *“Information to create this income tax return”* is **“Yes”**.
- **Note:** At least one row in this schedule must be completed. If one of the fields in a row is completed with a value, then all the fields in that specific row must be completed.
- The following currency fields must be completed in Rands (No Cents):
  - Proceeds;
  - Base Cost;
  - Exclusion/Roll-over
  - Local / foreign Capital Gain/Loss;
- **Number of Transactions:** Numeric field, complete the number of transactions.
- **Main Asset Type Source Code:** Refer to Annexure E - Local Assets to complete this numeric field. A source code ending in an even number represents a capital gain and a source code ending in an uneven number represents a capital loss.
- A person's capital loss determined in respect of the disposal of an asset to a connected person is treated as a *‘clogged’* loss. In other words, the capital loss is ring-fenced and may be set off only against capital gains arising from disposals to the same connected person. Whether a capital loss will be ring-fenced will depend on the relationship between the parties at the relevant point in time.
- A person must disregard any capital loss determined in respect of the disposal of an asset to a connected person. Capital losses of this nature are ‘clogged’ (ring-fenced). One of the reasons for determining the relationship immediately after the disposal is that in some cases the relationship is established only after the transaction. This situation typically occurs, for example, in an asset-for-share swap under which one person disposes of an asset to a company in exchange for shares in that company.



- **Add: Clogged losses included in amounts listed above to be carried forward (p 39 of the Eight Schedule):**
  - This field has been introduced into the return and is mandatory from 2014 onwards. For prior years it is optional. If this field is not applicable to the company, complete the field with R0 (zero rand). This currency field must be completed with the relevant amount. Note that clogged losses are not assessed losses carried forward by the SARS system.
- **Less: Prior year clogged losses brought forward and deductible from capital gains listed above derived from same connected person (p 39 of the Eighth Schedule)**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards. If this field is not applicable to the company, complete the field with R0 (zero rand).
- Note that a clogged loss brought forward from a previous year may be set off only against capital gains arising in the current year with the same connected person. In addition, the clogged loss must be limited to the amount of such capital gains. If the clogged loss exceeds the gain the excess must be carried forward.
- **Less: Claw back of the portion of capital gain(s) in terms of the provisions of s45(5).**
  - This field is mandatory and applicable from the 2016 year of assessment onwards. Source code for local (4256) and for foreign (4252).
- **Claw back definition:**
  - Where a transferee company disposes of an asset within 18 months after acquiring the asset in terms of an intra-group transaction; and
  - The asset constitutes a capital asset, so much of the capital gain determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at the time, may not be taken into account in determining the net capital gain or assessed capital loss of the company. This amount, multiplied by the inclusion rate as contemplated in p 10 of the Eighth Schedule, is a taxable capital gain that must be taken into account and may not be set off against any assessed loss or balance of assessed loss of the company (s45(5)(a)(i)).
  - The asset constitutes a capital asset, so much of the capital loss determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at that time, must be disregarded in determining the aggregate capital gain or loss of the transferee company. The amount of the capital loss so disregarded may be deducted from any capital gain determined in respect of the disposal of any other asset acquired by the transferee company from the transferor company in terms of an intra-group transaction (s45(5)(a)(ii)).
- **Aggregate Gain:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate gain applies, the aggregate loss field is not applicable. If the net figure is R0 (zero), then this value applies to the aggregate gain field. Source code for local (4250) and for foreign (4252).

- **Aggregate Loss:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate loss applies, the aggregate gain field is not applicable. Source code for local (4251) and for foreign (4253).
- **Note:** In the “*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*”, this field will be displayed:
  - **Foreign tax credit in respect of Capital Gains (Rand value only):** This currency field (15 characters) must only be completed if a value exceeding R0 (zero) was calculated in the field Aggregate Gain or Aggregate Loss. Source code 4114.

#### 12.2.38 REDUCTION OF LOCAL ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will be displayed if “**Yes**” was selected on the return to the question ‘*Was the reduction for a local asset?*’
- **Amount of debt reduction**
  - If an amount is entered into field next to code 4254, the Local Assessed Capital Loss Carry Over amount on ITS will programmatically be reduced with the amount entered and limited to the amount available for Local Assessed Capital Loss Carry Over.

#### 12.2.39 REDUCTION OF FOREIGN ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will be displayed if “**Yes**” was selected on the return to the question ‘*Was the reduction for a foreign asset?*’
- **Amount of debt reduction**
  - If an amount is entered into field next to code 4255, the Local Assessed Capital Loss Carry Over amount on ITS will programmatically be reduced with the amount entered and limited to the amount available for Local Assessed Capital Loss Carry Over.

#### 12.2.40 PAYE CREDITS AVAILABLE (excluding Provisional Tax)

- If “**Yes**” is selected to this question “**Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**” This section of the return will only display.
- **Note:**
  - The PAYE credits available section will be repeated according to the numeric value completed in the question “Specify the number of IRP5 certificates” field on the “Information to create this income tax return” page.
- The following fields must be completed for each “*PAYE Credits Available*” section:
  - **IRP5 certificate number:** This field is prepopulated from 2015 Year of Assessment (YOA) onwards
  - **PAYE Credit:** Enter the PAYE credit amount. This field has been introduced into the return from the 2015 year of assessment onwards, Source code 4102.

#### 12.2.41 FOREIGN TAX CREDITS: TAXABLE FOREIGN SOURCED INCOME OF RESIDENT COMPANIES – S6QUAT(1A) (EXCLUSION OF FOREIGN CAPITAL GAIN/LOSS)

- If “**yes**” is selected to this question “**Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat and/or a treaty?**” this section of the return will only display.
- During the assessment process the information in this section is used when calculating the allowable amount in foreign tax credits in terms of *s6quat*.
- **Relief from double taxation**
- A South African resident is subject to normal tax on income derived worldwide (i.e. income derived from sources within and outside of the Republic of South Africa). However, any income which is derived by a resident from a foreign source may have been or may be subjected to tax in a foreign country, resulting in double taxation on this amount. *S6quat* grants relief from any potential double taxation, in that any foreign taxes payable in respect of income derived from a source outside South Africa and which is included in the taxable income of a resident, may (subject to certain conditions) be allowed as a rebate against normal income tax payable in South Africa by the resident.
- **Conditions governing the granting of a rebate**
- The sum of foreign taxes payable may qualify for a rebate against the normal income tax payable by a resident if the following conditions are met:
  - The taxes must be taxes payable on income;
- **Note:** Capital gains are included in taxable income (s26A) and the tax payable thereon is regarded as a tax on income.
  - The taxes have to be imposed in terms of the laws of a foreign country, whether it be at national, state, local or other level of government;
  - The taxes should be proved to be payable, i.e. a legal obligation to pay must exist;
  - The taxes must be payable without any right of recovery by any person (other than a right of recovery in terms of an entitlement to carry back losses arising during any year of assessment to a prior year of assessment); and
  - The taxes ought to be payable in respect of amounts included in that resident’s taxable income.
- **Qualifying amounts of income derived from foreign sources**
- In order to qualify for a rebate in terms of *s6quat*, the foreign taxes must be payable in respect of any of the following items of income , provided it was included in the resident’s taxable income:
  - Any income received by or accrued to a resident, excluding foreign dividends), from an actual (real) source outside the Republic, which is not deemed to be from a source within the Republic (*s6quat(1)(a)(i)*)
  - Any portion of the net income of a controlled foreign company (CFC) as contemplated in s9D which is attributed to a resident that holds participation rights in that CFC under s9D(2) (*s6quat(1)(b)*)
  - Any foreign dividends (*s6quat(1)(d)*)
  - Any taxable capital gain as contemplated in s26A.
  - Any amount dealt with above which is received by or accrued to a particular person, for example, a trust, but which is deemed to be derived by another person (the resident) (*s6quat(1)(f)(i)* and (ii))

- Any amount dealt with above which forms part of the capital of a trust established in a foreign country, which is regarded as being derived by a resident for either income tax or capital gains tax purposes (s6quat(1)(f)(iii)).
- The amount of foreign taxes which qualify for the s6quat rebate is limited to a *pro rata* amount calculated in accordance with the following formula:

<i>Taxable income derived from all foreign sources (A)</i>	×	<i>Normal tax payable on (B)</i>
<i>Taxable income derived from all sources (B)</i>		

- **The carry forward of an excess amount of foreign tax credits**
- Where the sum of foreign taxes payable exceeds the amount of the rebate, the excess amount may be carried forward to the immediately succeeding year of assessment. This excess amount will be ranked as a foreign tax credit available for set off against the normal tax payable in that year of assessment, in respect of foreign taxable income after the qualifying foreign taxes for that year have been taken into account.
- **Instances where no rebate is granted**
- No foreign tax relief will be granted where the foreign taxes do not qualify for the rebate, for example if the actual source of the amount is located in South Africa. In such instances the amount may qualify as a deduction in terms of s6quat(1C) in determining taxable income for a particular year of assessment. The foreign taxes must have been incurred in respect of the resident's trading operations and must be proved to be payable without a right of recovery. A resident may not elect to claim the foreign taxes either as a rebate or alternatively as a deduction. Only those foreign taxes that do not qualify for a rebate may be considered as a deduction.
- If a resident elects for the relief provided in a double taxation agreement which does not refer to the s6quat method of relief, none of the provisions of s6quat will apply. It should be noted that the carry forward of excess tax credits is only allowed in terms of the s6quat method of relief. None of South Africa's double taxation agreements provide for the carry forward of excess tax credits.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Net losses:** This currency field (15 characters) must be completed in Rands (No Cents) for **Foreign income**.
- The following currency fields (15 characters) for **Foreign income** (Source Code 7454) and **Imputed net income CFC(Source Code 7455)** must be completed in Rands (No Cents):
  - **Taxable Income.**
  - **Foreign Tax Credits.**
- **Foreign Tax Credits:** This currency field (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch as the sum of Foreign Tax Credits.
- **How much of the above Foreign tax credit is being claimed in terms of a treaty?**
  - This field has been introduced into the return from the 2015 year of assessment onwards.

#### 12.2.42 FOREIGN TAX CREDITS REFUNDED/DISCHARGED

- This container was introduced into the return from the 2017 year of assessment onwards.
- This section will display if “**Yes**” was selected to “*Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment?*”
- Complete the amount refunded /discharged by the foreign tax authority under “*Specify the portion of the amount so refunded/discharged as was previously allowed by SARS as a rebate*” field.
- ‘*Specify the portion of the amount so refunded/discharged as was previously allowed by SARS as a deduction in terms of s6quat (1C)*’.
  - Insert the amount as specified.

#### 12.2.43 PARTNERSHIP/JOINT VENTURES

- If “**Yes**” is selected to this question “**Is the company a partner in a partnership?**” This section of the return will only display.
- **Note:**
- The Partnerships section will repeat according to the numeric value entered in the question “How many partnerships” on the “Information to create this income tax return” page.
- If five Partnerships sections were created, it is mandatory that all five must be completed. If incorrectly created, refer back to the “Information to create this income tax return” to rectify.
- The following fields must be completed for each *Partnerships* section
  - **Partnership Name:** Free text field (maximum length is 53 characters)
  - **Specify the company’s profit/loss sharing % during the year of assessment:** Numeric field – complete the percentage
  - **Indicate if the company derived a profit loss from this partnership during the year of assessment:** Select “Profit” or “Loss”
  - **Indicate if this information is in respect of a local or a foreign partnership:** Select “Local” or “Foreign”.

#### 12.2.44 CALCULATION OF THE QUALIFYING s12H LEARNERSHIP ALLOWANCE FOR THIS YEAR OF ASSESSMENT IN RESPECT OF AGREEMENTS ENTERED INTO ON OR AFTER 1 OCTOBER 2016

- The proposed learnership tax incentive also introduced the following deduction amounts per registered learnership contract based on the level descriptors as specified in the National Qualifications Framework Act, 2008:
  - Persons without disability: NQF 1- 6 = R40 000
  - Persons without disability: NQF 7 – 10 = R20 000
  - Persons with disability : NQF 1- 6 = R60 000
  - Persons with disability : NQF 7- 10 = R50 000
- This section of the return will only display, if the answer to the question: “Did the company submit the information as required by s12H(8) to the registered SETA?” is “**Yes**” (Applicable from the 2020 year of assessment and onwards)

- Learnership agreements registered/in effect:
  - Learners without a disability:
    - Learnership agreements registered / in effect NQF Levels 1 - 6
    - Learnership agreements registered / in effect NQF Levels 7 – 10
  - Learners with a disability:
    - Learnership agreements registered / in effect NQF Levels 1 – 6;
    - Learnership agreements registered / in effect NQF Levels 7 – 10;
  
- Registered Learnership agreements completed in current year of assessment:
  - Learners without a disability:
    - Registered learnership agreements completed in current year NQF Levels 1 – 6;
    - Registered learnership agreements completed in current year NQF Levels 7 – 10;
  - Learners with a disability:
    - Registered learnership agreements completed in current year NQF Levels 1 – 6;
    - Registered learnership agreements completed in current year NQF Levels 7 – 10;

### 13 ANNEXURE D – MEDIUM TO LARGE BUSINESS

- If a company is not classified as a body corporate/share block company/micro business or small business, it will be classified as a **Medium to Large Business**.

#### 13.1 INFORMATION TO CREATE INCOME TAX RETURN FOR MEDIUM TO LARGE BUSINESS

- The first page contains a number of questions to customise the ITR14 return and is applicable to all company types.
- All questions on this page must be completed before commencing with the completion of the return. Depending on the answer provided to each question, subsequent questions might be displayed on this page.
- **Note:** If any of the questions on this page are changed after the commencement of the completion of the return, it may result in the following:
  - Existing sections on the return may be removed/deleted. The form will display a warning message to alert the taxpayer of any potential loss of data captured.
  - Additional sections may be displayed on the return for completion.

##### 13.1.1 REGISTERED DETAILS

- **Have the banking, public officer and contact details of the company been verified and confirmed as correct?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the *Dormant; Company Type, Capital Gain/Loss Transactions; Voluntary Disclosure Programme* sections in the “Information to create this income tax return” page will display additional questions for customisation of the return.
  - If “**No**” is selected, the user will not be able to submit the return and have to update the legal entity information in the Maintain SARS Registered Details section on eFiling.

### 13.1.2 DORMANT

- **Is the company dormant?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected the next question will be displayed.
    - **Did the company become dormant / inactive during the year of assessment?**
      - “Yes” or “No” must be selected.
      - If “Yes” is selected, the Company will not be regarded as a Dormant Company and the Company Type will display.
      - If “No” is selected, the following question will be displayed:
        - **Specify the movement in assets, liabilities and/or reserves**
          - The value in Rands representing the total amount realised from the “movement in assets, liabilities and/or reserves” must be completed on the field provided:
          - If the value captured is greater than R5 million, the form container for ‘Balance Sheet for Small Business/Dormant Companies’ will be displayed on the form for completion.
  - If “No” is selected, the company will not be regarded as a Dormant company and the **Company Type** questions will be displayed.

### 13.1.3 COMPANY TYPE

- **Is the company a body corporate established in terms of the Sectional Titles Act or a share block company defined in the Share Blocks Control Act as referred to in s10(1)(e)?**
  - “Yes” or “No” must be selected. If “Yes” is selected, the Company Representative/Public Officer must refer to *Annexure B* for a Body Corporate/Share Block Company. If “No” is selected, the next question will be displayed.
- **Specify the gross income (sales/turnover plus other income) in respect of the year of assessment?**
  - Complete the gross income in Rands. The gross income referred to in this question must be calculated as the sum of “Sales/Turnover” declared under “Gross Profit/Loss” and all income items declared under “Income Items” in the Income Statement.
- **Specify the total assets (current and non-current) of the company in respect of the year of assessment?**
  - If the gross income specified in the previous question exceeds R14 million for the financial year ending prior to 30 April 2013 and R20 million for the financial year ending after 30 April 2013 and/or the total assets exceed R10 million, then the company is classified as a Medium to Large Business. If the values entered for gross income and total assets do not meet the Medium to Large Business criteria, please refer to section 3 to determine the correct classification.
- **Return Type:** This field is pre-populated depending on the answers provided for the Dormant Company and Sectional title or Share Block Company questions, including the amounts entered in the “Specify the gross income (sales/turnover plus other income) in respect of the year of assessment” and “Specify the total assets (current and non-current) of the company in respect of the year of assessment” fields above with one of the following return types:
  - Dormant

- Body Corporate/Share Blocks **or** Micro business
  - Small Company
  - Medium Company to Large Company
- For Medium to Large Business:
  - The *Company Information section* on the “Information to create this income tax return” page will display additional questions for customisation of the income tax return.
  - If the gross income specified previously **does not exceed R14 million** if the financial year end is prior to 20130430(CCYYMMDD) or R20 million if the financial year end is from 20130430(CCYYMMDD) and onwards the *Small Business Corporation section* on the “Information to create this income tax return” page will display additional questions for customisation of the income tax return.
  - The content of the income tax return will also be expanded to display the following sections for completion:
    - Additional Assessment Information;
    - Shares;
    - Balance sheet;
    - Income Statement;
    - Tax Computation;
    - Tax Allowances / Limitation; and
    - Corporate Rules.

#### 13.1.4 CAPITAL GAIN/LOSS TRANSACTIONS

- **Did the company have any transactions or events which resulted in a locally sourced capital gain or loss (including crypto assets)?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the section for ‘*Schedule of Local Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Did the company have any transactions or events which resulted in a foreign sourced capital gain/loss (including crypto assets)?**
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the section for ‘*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*’ will be displayed for completion.
- **Has any debt been reduced for no consideration which has the effect of reducing the company’s assessed capital loss under p 12A(4) of the Eighth schedule?**
  - This field has been introduced into the return from the 2015 onwards.
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the following questions will be displayed ‘*Was the reduction for a local asset?*’ and ‘*Was the reduction for a foreign asset?*’
    - **Was the reduction for a local asset?**
      - This field has been introduced into the return from the 2015 onwards.
      - “**Yes**” or “**No**” must be selected.
      - If “**Yes**” is selected, the following section will be displayed for completion ‘*Reduction of Local Assessed Capital Loss due to Debt Reduction*’.
    - **Was the reduction for a foreign asset?**
      - This field has been introduced into the return from the 2015 onwards.
      - “**Yes**” or “**No**” must be selected.



- If **“Yes”** is selected, the following section will be displayed for completion *‘Reduction of Foreign Assessed Capital Loss due to Debt Reduction’*.

### 13.1.5 VOLUNTARY DISCLOSURE PROGRAMME

- **Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, the *‘Voluntary Disclosure Programme’* section will be displayed for completion.

### 13.1.6 SMALL BUSINESS CORPORATION

- **Is the company a Small Business Corporation as defined in s12E?**
  - **“Yes”** or **“No”** must be selected. If **“Yes”** is selected, the *Small Business Corporation section* in the income tax return will be displayed for completion.

### 13.1.7 SPECIAL ECONOMIC ZONES

- This section has been introduced into the return from the 2017 year of assessment onwards.
  - **Is the company a qualifying company as defined in s12R?** **“Yes”** or **“No”** must be selected. If **“Yes”** is selected, the *Special Economic Zones (SEZ) section* in the income tax return will be displayed for completion.

### 13.1.8 VENTURE CAPITAL COMPANY INVESTMENTS

- This section has been introduced into the return from the 2015 year of assessment and onwards
- **Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during the year of assessment?**
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, then *‘Specify the number of investments made in SARS approved Venture Capital Companies’* will be displayed for completion.
- **Specify the number of investments made in SARS approved Venture Capital Companies**
  - This field will require you to complete the number of investments made. Complete any number between 1 and 99.
  - A section on the income tax return will be displayed named *‘Investments in Venture Capital Companies (VCC): s12J’*. This section can be repeated on the return for a maximum of 10 times. The Representative/Public Officer is required to complete the required information in respect of the investments made on the return. Where more than 10 investments were made the information of the 10 largest (rand value) investments made must be completed.

### 13.1.9 DEDUCTION (s7F) IN RESPECT OF SARS INTEREST REPAYED

- This section has been introduced into the return from the 2020 year of assessment onwards.
- **Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?**

- “Yes” or “No” must be selected. If “Yes” is selected, then “Deduction (i.t.o. s7F) of Interest Repaid to SARS that was Previously Taxed in terms of s7E.” will be displayed for completion.

### 13.1.10 DONATIONS (S18A)

- This section has been introduced into the return from the 2015 year of assessment onwards.
- **Does the company want to claim donations made to an approved organisation in terms of s18A?**
  - “Yes” or “No” must be selected. If “Yes” is selected the following question will be displayed for completion:
    - **Is the company a collective investment scheme?** “Yes” or “No” must be selected.
  - If “Yes” is selected, then the income tax return will display the following section for completion, ‘*Donations allowable in terms of s18A to approved organisations in respect of a Collective Investment Scheme*’.
  - If “No” is selected, the following question will be displayed for completion:
    - **How many organisations did the company donate to?**
  - Complete any number between 1 and 99 of the organisation the company donated to.
  - This will display on the income tax return a section to be completed named ‘*Donations allowable in terms of s18A to approved organisations*’. In this section complete the details of the organisations where donations were made.

### 13.1.11 TAX CREDITS

- For ITR14 returns from 2019 form year onwards, companies will not be allowed to manually capture PAYE credits and will only be able to submit their ITR14 returns with pre-populated IRP5 Information. If additional IRP5 certificates need to be declared, the ITR14 return must be submitted at the SARS branch where the SARS user will be able to capture the additional IRP5 certificates.
- **Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**
  - SARS will pre-populate the amount of IRP5’s.
- **Specify the number of IRP5 tax certificates**
  - SARS will pre-populate the amount of IRP5’s.
  - **Note:** When the company submits more than 20 IRP5’s, the 19<sup>th</sup> prepopulated IRP5 will be reflected on the ITR14 and the 20<sup>th</sup> IRP5 will be consolidated on the total PAYE credits.
- **Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat(1A) and/or a treaty?**
  - “Yes” or “No” must be selected.
  - If “Yes” is selected, the *Foreign Tax credits: Taxable Foreign Sourced Income of Resident Companies – s6quat (1A) (excluding foreign capital gain/loss)* section in the income tax return will be displayed for completion.
- Please note if you create a return for 2017 YOA the question will read as follows “**Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment?**”

- This is due to the fact that the recoupment in terms of *s6quat(1C)* has been added to this container. Please see new source code 4249.
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the container will read as “*Foreign Tax Credits Refunded/Discharged and will be displayed for completion*”.
- **Will the company be claiming a deduction on SA sourced trading income i.to. *s6quat(1C)*?**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  - “**Yes**” or “**No**” must be selected.
  - If “**Yes**” is selected, the “*Deduction i.to. *s6quat(1C)* for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income*” will be displayed for completion.

### 13.1.12 COMPANY INFORMATION

- **Is the company a partner in a partnership/joint venture?**
  - “**Yes**” or “**No**” must be selected. If “**Yes**” is selected, complete the next question.
- **How many partnerships/joint ventures?**
  - This field accepts numeric values between 1 and 99. Based on the numeric value entered in this field, the *Partnerships/Joint Ventures section* in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 50 was entered then 50 *Partnership* sections will display in the return for completion).
- **Is the company a Personal Service Provider as defined in the Fourth Schedule?**
  - “**Yes**” or “**No**” must be selected. If “**Yes**” is selected, the *Personal Service Provider section* in the income tax return will be displayed for completion.
- **Is the company resident in South Africa for income tax purposes?**
  - “**Yes**” or “**No**” must be selected:
  - If “**Yes**” is selected, complete the next question.
- **How many different classes of shares have been issued by the company?**
  - This field accepts numeric values between 1 and 100. Based on the numeric value entered in this field, the *Contributed Tax Capital section* in the income tax return will repeatedly be displayed for completion (e.g. if the numeric value 5 was entered then five *Contributed Tax Capital* sections will display in the return for completion).
  - For Close Corporations, the definition of a “share” (any unit into which the proprietary interest in the company is divided) according to the Companies Act includes the members’ interest in a Close Corporation. Members’ interest therefore must be regarded as a class of share.
  - The distinction between different types of shares (e.g. ordinary, preference, redeemable etc.) must be declared separately. Furthermore, if the company has only issued one class of shares, for example, then a general description would be in order. However, if classes A, B and N ordinary shares have been issued then each class of ordinary share must be specified separately i.e. if there are shares with different rights for the different shareholders they must be declared separately.

**Note:** The Income Tax Act was amended to introduce changes to the definitions of dividends treated as income and proceeds on the disposal of certain shares in order to address tax avoidance schemes involving share buybacks.

- If **“No”** is selected, complete the next question, the *Non-Residency section* in the income tax return will be displayed for completion.
- **Did the company cease to be a resident during the year of assessment?**
  - **“Yes”** or **“No”** must be selected. If **“Yes”** is selected, the *Non-Residency section* in the income tax return will be displayed for completion. The field *‘Date on which the company ceased to be a resident’* must be completed.
  - This question has been introduced into the return from the 2013 year of assessment onwards.
- **Did the company have transactions (including mining activities) relating to crypto assets (excluding CGT)?**
  - This field has been introduced into the return from 2019 year of assessment onwards.
  - **“Yes”** or **“No”** must be selected.
  - If **“Yes”** is selected, *the Crypto assets Transactions (Local / Foreign) (excluding CGT)* section will be displayed for completion.
- **Did the company qualify for an Urban Development Zone deduction in terms of (s13quat)?**
  - **“Yes”** or **“No”** must be selected. If **“Yes”** is selected, the *Urban Development Zone (s13quat) section* in the income tax return will be displayed for completion.
    - If **“Yes”**, complete the following question: Was the building or part of the building brought into use after 31 March 2021? Select **“Yes”** or **“No”**
      - This is applicable from 2021 tax year onwards
      - If the answer is **Yes**, note that the following Urban Development Zone (UDZ) related fields will not be liable for completion:
        - *“Urban Development Zone (s13quat)”* container
        - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (excl. low-cost residential units)
        - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - improvements to existing buildings (excl. low-cost residential units)
        - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential units)
        - Tax Computation, Debit Adjustment, Special Allowances Not Claimed in the Income Statement, UDZ (s13quat) - improvements to existing buildings (low-cost residential units)
      - If the answer is **“No”** the above mentioned, Urban Development Zone (UDZ) related fields will liable for completion.
- **Did the company enter into any reportable arrangement in terms of s34 – 39 of the Tax Administration Act or s80M – s80T of the Income Tax Act?**
  - **“Yes”** or **“No”** must be selected. If **“Yes”** is selected, complete the next question.
- **Specify the number of reportable arrangements**

- This field accepts numeric values between 1 and 100. Based on the numeric value entered in this field, the *Reportable Arrangement section* in the income tax return will be **expanded** to display a field for each reportable arrangement number for completion (e.g. if the numeric value 4 was entered then 4 Reportable Arrangement Numbers will display for completion in the *Reportable Arrangement section* of the return).
- **Were any dividends declared during the year of assessment?**
  - “Yes” or “No” must be selected. If “Yes” is selected, the *Dividends Declared section* in the income tax return will be displayed for completion.
- **Is the company part of a group of companies that prepares consolidated financial statements?**
  - “Yes” or “No” must be selected:
  - If “Yes” is selected, the *Company structure section* in the income tax return will be displayed for completion.
- **Is the company a member of a Multinational Entity (MNE) group as defined in the Country-by-Country (CbC) Regulations?**
  - If “Yes” is selected, the *section* in the Multinational Entity (MNE) group details on the income tax return will be displayed for completion.
- **Does the company elect to be a headquarter company in terms of s9I for this year of assessment?**
  - “Yes” or “No” must be selected. If “Yes” is selected, the “*Headquarter company section*” in the income tax return will be displayed for completion.
- **Did the company receive/accrue any foreign income or incur any foreign expenditure or pay any royalties, interest, dividends or consulting fees to a non-resident?**
  - “Yes” or “No” must be selected. If “Yes” is selected, the *International* section in the income tax return will be displayed for completion and the below question must be answered.
- **For years of assessment commencing on or after 1 April 2012 (for prior years refer to the guide), did the company enter into any transaction, operation, scheme, agreement or understanding as set out in s31(1)(a)?**
  - If “Yes” is selected, the following question will be displayed for completion:
  - **Did the company receive/accrue income?**
    - “Yes” or “No” must be selected. If “Yes” is selected, the *Transfer Pricing Received/Receivable* section and the Transfer Pricing Supporting Information container in the income tax return will be displayed for completion.
  - **Did the company incur expenditure?**
    - “Yes” or “No” must be selected. If “Yes” is selected, the *Transfer Pricing Paid /Payable* section in the income tax return will be displayed for completion.
- Significant amendments have been made to s31 of the Income Tax Act 58 of 1962 (“ITA”) which deals with transfer pricing. The amended s31 came into operation on 1 April 2012 and applies in respect of years of assessment commencing on or after that date. The “version” of s31 applicable to year of assessment commencing before 1 April 2012 is referred to in this guide as the “old s31”.

- The data that needs to be provided in the transfer pricing sections of the return depends on the legislation that applies to the particular year of assessment. Therefore, the year of assessment in respect of which the return is being completed, will determine which “version” of s31 will apply and therefore what data should be provided in the transfer pricing sections of the return.
- For example: If the company’s financial year commences on 1 January 2012, the first year of assessment to which the amended s31 will apply, will be the 2013 tax year. For the 2012 tax year (i.e. the financial year ending 31 December 2012), the provisions of the “old s31” will apply.
- **For years of assessment commencing before 1 April 2012:**
- For years of assessment commencing before 1 April 2012, the “old s31” applies which reads as follows:
  - “31 (2) Where any supply of goods or services has been effected - between
    - (i)(aa) A resident
    - (bb) Any other person who is not a resident
  - (ii)(aa) A person who is not a resident
    - (bb) A permanent establishment in the Republic of any other person who is not a resident
  - (iii) (aa) A person who is a resident
    - (bb) A permanent establishment outside the Republic of any other person who is a resident
    - Between those persons who are connected persons in relation to one another or associated persons in relation to one another
  - (a) At a price which is either –
    - (i) Less than the price which such goods or services might have been expected to fetch if the parties to the transaction had been independent persons dealing at arm’s length (such price being the arm’s length price); or
    - (ii) Greater than the arm’s length price the Commissioner may, for the purposes of this Act in relation to either the acquirer or supplier, in the determination of the taxable income of either the acquirer or supplier, adjust the consideration in respect of the transaction to reflect an arm’s length price for the goods or services.”
- During years of assessment commencing before 1 April 2012, where the company was party to a supply of goods or services (as defined in s31(1) of the “old s31”) between persons (as described in s31(2)(a) and (b) of the “old s31”) that resulted in the company:

**For years of assessment commencing after 1 April 2012:**

- For years of assessment commencing after 1 April 2012, the “old s31” applies which reads as follows:
- “31 (2) Where-
  - Any transaction, operation, scheme, agreement or understanding constitutes an affected transaction
  - Any term or condition of that transaction, operation, scheme, agreement or understanding –
  - Is a term or condition contemplated in paragraph (b) of the definition of “affected transaction”, and
    - Results or will result in any tax benefit being derived by a person that is a party to that transaction, operation, scheme, agreement or understanding, the taxable income or tax payable by any person contemplated in paragraph (b) (ii) that derives a tax benefit contemplated in that paragraph must be calculated as if that transaction, operation, scheme, agreement or understanding had been

entered into on the terms and conditions that would have existed had those persons been independent persons dealing at arm's length”

- During years of assessment commencing after 1 April 2012, where the company was party to a supply of goods or services (as defined in s31(1)) between persons (as described in s31(2)(a) and (b)) that resulted in the company:

### 13.1.13 CUSTOMS INFORMATION

- **Is the company registered/licensed for customs purposes?**
  - Select either “**Yes**” or “**No**”.
  - If “**Yes**” is selected, the following question ‘*Indicate the number of customs client codes allocated to this company*’ will be displayed for completion.
- **Indicate the number of customs client codes allocated to this company**
  - Complete the number of customs client codes allocated to this company.

### 13.2 COMPLETION OF RETURN – MEDIUM TO LARGE BUSINESS

- Once all the questions on the “**Information to create this income tax return**” page of the ITR14 return have been completed the return information must be completed as follows:
- If the taxpayer is an eFiler the fields listed in this section must be captured electronically on eFiling.
- If the taxpayer is not a registered eFiler and obtained an ITR14 return example copy from the SARS website, the fields listed in this section must be completed on the example of the return and once all fields have been completed, the taxpayer must visit the nearest branch to have these fields captured by a SARS agent.
- If the taxpayer is not a registered eFiler and is using this guide to prepare the information required for capturing at the nearest SARS branch without printing the ITR14 return example from the SARS website, the fields as listed in this section must be used in preparation for capturing. Once all the fields have been prepared the taxpayer must visit the nearest SARS branch with the prepared information to have these fields captured by a SARS agent.

#### 13.2.1 COMPANY/CLOSE CORPORATION PARTICULARS

- The following read-only fields will be pre-populated on the in the Company / Close Corporation Particulars container:
  - Tax Reference number;
  - Year of Assessment;
  - Registered Name;
  - Trading Name;
  - Company/CC registration number;
  - Financial year end (CCYYMMDD).
- Please complete the following fields:
  - **Is this return in respect of a branch/permanent establishment/agency of a foreign company?**
    - “**Yes**” or “**No**” must be selected.

- Please indicate where the majority of the company's taxable income/loss is derived from. Select the relevant option from the following list:
  - Eastern Cape.
  - Free State.
  - Gauteng.
  - Kwa-Zulu Natal.
  - Limpopo.
  - Mpumalanga.
  - North West.
  - Northern Cape.
  - Western Cape.
  - International.
  
- **Select the Standard Industry Code (SIC) applicable to the main activity of the Company**
  - A dropdown box with all the Standard Industry Codes (SIC) will be displayed. Access the Standard Industry Codes (SIC) booklet on [www.statssa.gov.za](http://www.statssa.gov.za). Ensure that the correct SIC code is selected for the company.
  
- **State the profit code of your main source of income**
  - A pop-up list with all the main source of income codes will be displayed.
    - **Note:** If the company is dormant this field will be pre-populated with code 9994 and locked. Access the following main source codes by entering "Find a source code" on the SARS website [www.sars.gov.za](http://www.sars.gov.za).
  
- **If the profit code is "other not specified", please provide a description**
  - If the profit code of your main source of income ends with '98', this is a mandatory free text field (maximum length 56 characters).

### 13.2.2 TAX PRACTITIONER DETAILS (IF APPLICABLE)

- **Registration number.**
  - Complete the tax practitioner's registration number (alphanumeric field of 9 characters). The first two characters must start with "PR".
  
- **Tel number.**
  - Complete the Telephone number (numeric field of 15 characters).
  
- **Tax Practitioner Email address.**
  - Complete the email address (free text field of 52 characters).
  
- **Mark here with an "X" if you declare that you do not have an email address.**
  - If you don't have an email address, indicate this by selecting the field "*Mark here with an 'X' if you declare that you do not have an email address*". The email address field will be locked and greyed out.

### 13.2.3 DORMANT COMPANY DETAILS (APPLICABLE TO DORMANT COMPANIES ONLY)

- **What is the reason for dormancy?**
  - Select the applicable reason for dormancy from the dropdown box.
  
- **Is the company acting as, or carrying on the activities, of a nominee?**



- This field has been introduced into the return from the 2016 year of assessment onwards.
  - Complete the question by selecting either “Yes” or “No”.
  - If “Yes” is selected the following question will be mandatory on the form for completion: ‘*Did the company receive any taxable passive income?*’
    - **Did the company receive any taxable passive income?**
      - This field has been introduced into the return from the 2016 year of assessment onwards.
      - The Representative/Public Officer is required to select either “Yes” or “No”.
      - If “Yes” is selected, complete the ‘*Taxable Passive Income*’ field.
        - **Taxable passive income**
          - Complete the taxable passive income received by the company.
          - Source code 4290.
- **Is the company a party to any contract in terms of which it has undertaken to conduct any activity or hold any assets on behalf of another person during the current or a future year of assessment?**
  - Select “Yes” or “No”.

#### 13.2.4 VOLUNTARY DISCLOSURE PROGRAMME

- If “Yes” is selected to this question “**Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?**” this section will only display on the return:
- **Please indicate the VDP application no. issued by SARS**
  - Complete the alphanumeric field. The first three characters must start with “VDP”. No spaces or dashes should be entered when completing the VDP Application No.

#### 13.2.5 DECLARATION

- **Note:**
  - Complete the date in the format (CCYYMMDD).
  - The Company Representative/Public Officer’s login will serve as the authentication for the ITR14 return submission on eFiling.
  - The Public Officer/Representative must sign the signature pad when the ITR14 return is submitted at a SARS branch.
  - The ITR14 return is a legal declaration to SARS and by signing you agree that the information is accurate.
  - You are obliged to ensure that a full and accurate disclosure is made of all relevant information as required in the ITR14 return. Misrepresentation, omission or negligence in submitting a declaration or supplying false information may result in prosecution.

#### 13.2.6 INTERNATIONAL

- In the “**Information to create this income tax return**” if “Yes” is selected to this question “**Did the company receive/earn any foreign income or incur any foreign expenditure or pay any royalties, interest, dividends or consulting fees to a non-resident?**”. This section will only display on the return.

- **Note:** All foreign dividends are taxable in the hands of South African residents unless one of the exemptions set out below applies. Amounts received by a resident from a source outside of South Africa could be subject to the provisions of a tax treaty.
- S10(1)(k)(ii) is deleted with effect from the following dates:
  - For natural persons, deceased and insolvent estates, and trusts – 1 March 2012
  - For other taxpayers (companies, etc.) – 1 April 2012.
- S 10B came into effect on the above dates and this section applies to foreign dividends as well as dividends from headquarter companies. It exempts certain dividends totally from tax and some dividends in part, so that a South African resident either pays no income tax on foreign dividends received (where the 10% participation exemption applies), or tax at a lesser rate. Residents will pay tax at an effective rate not exceeding 15%.
- Paragraph 64B of the Eight Schedule disregards the capital gain or capital loss made by a South African resident on the disposal of an interest in the share capital of a foreign company if certain conditions are met. This is called the “participation exemption”. It also applies to the disposal of shares in a headquarter company.
- **Note:** With effect from 1 January 2012 the definition of “foreign company” is removed from p64B. The result is that the sale in a headquarter company will no longer be exempt in terms of this participation exemption if the sale is made by South African resident taxpayers.
- The capital gain or capital loss on the disposal of shares in a foreign company is disregarded if the person disposing of the asset held at least 10% of the equity shares and voting rights in that foreign company immediately before and for at least 18 months prior to the disposal; and
  - The disposal is to a non-resident (not being a controlled foreign company); or
  - The disposal is a deemed disposal as a result of the company ceasing to be a controlled foreign company or a person ceasing to be a resident; or
  - The disposal is to a controlled foreign company of that person, or a controlled foreign company that forms part of the same group of companies as the person.
- A headquarter company must disregard any capital gain or capital loss determined in respect of the disposal of any equity share in any foreign company (other than an interest contemplated in p2(2)) if that headquarter company (whether alone or together with any other person forming part of the same group of companies as that headquarter company) immediately before that disposal held at least 10% of the equity shares and voting rights in that foreign company.
- **Note:**
  - With effect from 1 April 2012 the words “at least 20%” are replaced with “at least 10%”. This means that the participation exemption is accessible to more South African shareholders of foreign companies.
- Select “**Yes**” or “**No**” for the following questions:
  - **Does the company own any foreign assets or investments?**
  - **Did the company receive any income subject to foreign taxes paid/payable?**
  - **Were any payments made to a non-resident person in compensation for the rendering of services in South Africa?**

- This field has been introduced into the return from 2015 year of assessment onwards
  - If **“Yes”** the next field will be displayed **“Total payments made”** for completion.

### 13.2.7 FOREIGN EXCHANGE GAINS/LOSSES

- Select **“Yes”** or **“No”** to the following questions:
- **Is the foreign exchange gain/loss incurred in respect of an exchange item where the counterparty is a connected person?**
  - If **“Yes”** is selected, the following question will be displayed for completion;
  - **If “Yes”, was the foreign exchange gain/loss realised during this year of assessment?**
- **Is the company a domestic treasury management company as defined in s1?**
  - This question has been introduced into the return from the 2015 year of assessment onwards
  - If the answer is **“Yes”**, then the following fields will not be editable and all inputs will be cleared:
    - Income Statement, Income Items, Foreign Exchange Gain:
    - Income Statement, Expense Items Foreign Exchange Loss:
  - If the answer is **“No”** then the following fields will be editable
    - Income Statement, Income Items, Foreign Exchange Gain:
    - Income Statement, Expense Items Foreign Exchange Loss.

### 13.2.8 FOREIGN DIVIDENDS

- **Did the company receive any foreign dividends?**
  - Select **“Yes”** or **“No”**.
- **Has the company claimed an exemption for any foreign dividends as referred to in s10(1)(k)(ii)(dd) or s10B(2)(a)?**
  - Select **“Yes”** or **“No”**.
- **Where any of the foreign dividends subject to the participation exemption?**
  - Select **“Yes”** or **“No”**.

### 13.2.9 CAPITAL GAINS

- **Has the company claimed an exemption for any amounts relating to the disposal of equity shares in a foreign company, as contemplated in p64B of the Eight Schedule?**
  - Select **“Yes”** or **“No”**.

### 13.2.10 SA WITHHOLDING TAX

- **Was any tax withheld against royalties, interest or dividends?**
  - Select **“Yes”** or **“No”**.

### 13.2.11 CONTROLLED FOREIGN COMPANY

- Select “Yes” or “No” for the following question and if “Yes”, complete the relevant “schedule”
- **Does the company directly or indirectly hold more than 10% of the total participation rights or voting rights in a controlled Foreign Company (s9D)?** This question will display as from 2017 year of assessment onwards.
  - If “Yes”, complete the applicable schedule (IT10A/B).
    - Please confirm that the applicable schedule (IT10) has been completed and will be attached as a supporting document to this return (refer to guide )
    - Specify the number of Controlled foreign Companies
- A Controlled Foreign Company should complete the applicable IT10A/B Controlled Foreign Company CFC return available on [www.sars.gov.za](http://www.sars.gov.za).

### 13.2.12 DOUBLE TAXATION

- **Did the company earn any income from a foreign source that was not taxable in South Africa in accordance with a double taxation agreement?**
  - Select “Yes” or “No” to the above question.

### 13.2.13 REPORTABLE ARRANGEMENT

- Select “Yes” or “No” for the following question and if “Yes”, complete the relevant “schedule”
- In the “*Information to create this income tax return*” page is “Yes” is selected to this question “**Did the company enter into any reportable arrangement as referred in s34 – 39 of the Tax Administration Act?**” This section will display.
- The Commissioner has by way of Public Notice No 140 dated 3 February 2016 (GG 39650) listed the arrangements for purposes of s35(2) (reportable arrangements) and s36(4) (excluded arrangements) of the Tax Administration Act, 2011.
- An arrangement that would have qualified as a “hybrid equity instrument” in terms of s 8E, 1962, if the prescribed period in that section had been 10 years, but does not include any instrument listed on an exchange regulated in terms of the Financial Markets Act, 2012 (Act No. 19 of 2012);
- **Specify the reportable arrangement number:**
  - This alphanumeric field of length 12 will be repeated based on the numeric value entered in the field “Specify the number of reportable arrangements” in the “*Information to create this Income Tax Return*” page. Each field is mandatory for completion.
- In each of the following questions a “Yes” or “No” must be completed
- **Is the company a participant in any arrangements which have the following features?**
  - Round trip financing (s80D)?
  - Elements that have the effect of offsetting or cancelling each other (s80C)?
  - Presence of an accommodating or tax-indifferent party (s80E)?

### 13.2.14 DIVIDENDS DECLARED

- In the **“Information to create this income tax return”** if **“Yes”** is selected to this question **“Were any dividends declared during the year of assessment?”** This section will only display on the return.
- **Note:**
- **Dividends** tax operates on the principle that the liability for dividends tax is triggered by the payment of the dividend and the tax liability on cash dividends falls on the recipient (i.e. beneficial owner) of the dividend. However, dividends tax is administered on the basis of withholding the applicable tax from the cash dividend payment by either the company declaring the dividend or, where relevant, regulated intermediaries.
- All currency fields (15 characters) listed below must be completed. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Specify the total dividends declared consisting of the following:**
  - **Total dividends subject to STC (Dividends declared before 1 April 2012 ;)**
  - **Total dividends subject to dividends tax (From 1 April 2012);**
  - **Total dividends exempt from dividends tax;**
  - **Total dividends subject to double taxation relief;**
  - **Total dividends in specie declared.**

### 13.2.15 STC CREDITS

- **Note:**
- The dividends tax provisions allow a company, which has STC credits to apply such credits to dividends declared and paid by it on or after 1 April 2012. To the extent that certain requirements are met, dividends to which STC credits are applied will not be subject to dividends tax.
- In order for a company to apply any STC credits which it may have to dividends declared and paid by it, the balance of STC credits will firstly need to be quantified. The STC credit of a company is reduced by the dividends declared and paid by the company to the extent that the dividends are paid by the company on or after 1 April 2012.
- In applying the STC credits which a company has, s64J states that a dividend paid by a company will not be subject to dividends tax to the extent that:
  - The dividend does not exceed the STC credit of the company;
  - The company has by the date of payment notified the person to whom the dividend is paid of the amount by which the dividend reduces the STC credit of the company.
- **Select “Yes” or “No” for the following question:**
- **Were any STC credits (s64J) utilised against the total dividends declared and paid?**
  - If **“Yes”** was selected, all currency fields (15 characters) listed below must be completed. If a specific field is not applicable to the company, a zero (0) must be completed for the field:
    - STC Credits opening balance;
    - **Plus:** STC credits received;
    - **Less:** STC credits utilised;
    - STC credits closing balance.

### 13.2.16 NON-RESIDENCY

- In the “**Information to create this income tax return**” if “**No**” is selected to this question “**Is the company resident in South Africa for income tax purposes?**” This section will only display on the return.
- **Note:**
  - A company will be a non-resident if it is not incorporated, established or formed in South Africa and does not have its place of effective management in South Africa. The place of effective management in the case of a company is the place where it is managed on a regular or day-to-day basis by the directors or senior managers of the company, irrespective of where the overriding control is exercised, or where the board of directors meets.
  - Management by these directors or senior managers refers to the execution and implementation of policy and strategy decisions made by the board of directors. It can also be referred to as the place of implementation of the entity’s overall group vision and objectives.
- In both questions below, a “**Yes**” or “**No**” must be selected.
- **Is the company resident outside South Africa due to:**
  - Foreign incorporation (and not being effectively managed in SA)?
  - By virtue of a treaty to avoid double taxation?
- **Date on which the company ceased to be a resident:**
  - Complete the date of which the company ceased to be a resident. The format of the date should be as follows: (CCYYMMDD).

### 13.2.17 HEADQUARTER COMPANY

- **Please complete the RCH01 schedule and attach as a supporting documents to this return (refer to external form from [www.sars.gov.za](http://www.sars.gov.za) > Types of Tax > Corporate Income Tax > Top forms > See More).**
- **Note:** The Headquarter Company (HQ) regime in terms of s9I is intended to provide tax rules that promote South Africa (“SA”) as the regional financial hub for Africa. Consequently, the purpose of HQ Company tax regime is to ensure that the existing tax system does not hinder the use of South Africa by foreign multinationals as the regional economic hub for investments into Africa.
- The current tax benefits enjoyed by HQ Companies include the following:
  - Dividends paid by HQ Companies not being subject to dividends tax
  - Exemption from normal tax on dividends received or accrued from a HQ Company
  - The attribution rules under the provisions of s9D not applying to a HQ Company
  - The transfer pricing and thin capitalisation rules being relaxed on financial assistance provided by and to a HQ Company and on back to back licensing of intellectual property through the use of a HQ Company. This result in net losses incurred on interest and royalties being ring-fenced
  - Exemption from withholding tax on royalties in respect of royalties paid by a HQ Company to a foreign person under specified circumstances
  - Exemption from withholding tax on interest in respect of interest paid by a HQ Company to a foreign person in specified circumstances.

- In order to qualify as a HQ Company, a resident company must meet all of the following criteria as set out in s9I of the Act:
  - Each holder of shares in the HQ Company (whether alone or together with any other company forming part of the same group of companies as that holder) must hold at least 10% of the HQ Company's equity shares and voting rights. This requirement need not be complied with during any period during a year of assessment before the HQ Company commenced the carrying on of a trade.
  - The HQ Company's asset cost base must comprise at least 80% in foreign companies in which it holds (whether alone or together with a company forming part of the same group of companies as the HQ Company) at least 10% of the equity shares and voting rights (that is, any interest in equity shares, debt and intellectual property). This requirement need not be met in a year of assessment that the HQ Company did not at any time during that year of assessment own assets with a total market value not exceeding R50 000.
  - If the income of the HQ exceeds R5 million per annum, at least 50% of the HQ Company's gross income (excluding certain exchange differences) must be derived from the aforementioned asset base.
- The 10% holder of shares test in a HQ Company must be satisfied for the relevant year of assessment that it elects to be a HQ Company. The 80% asset test must be satisfied for the relevant year of assessment, as well as all prior years of assessment in which that company existed, that is, "the always qualification rule". In contrast, the 50% gross income test needs to be satisfied only in respect of the relevant year of assessment. In addition the HQ Company must file an annual election to become (and remain) a HQ company.
- A company that elects to be a Headquarter Company must complete the RCH01 Schedule for companies electing to be a Headquarter Company available on [www.sars.gov.za](http://www.sars.gov.za). The completed RCH01 and all relevant material requested in the RCH01 must be attached as relevant material to the ITR14.
- Select "Yes" or "No" for the following questions:
  - **Does the company comply with the requirement that each of its shareholders (alone or together with any other company that forms part of the same group of companies as the shareholders) hold at least 10% of the equity shares and voting rights in the company throughout the year of assessment and all previous years of assessment?**
  - **Does the company comply with the requirement that at least 80% of the cost of its total assets (excluding cash and bank deposits payable on demand) is attributable to assets as listed in s9I(2)(b)?**
  - **Does the company comply with the requirement that where its gross income (excluding exchange differences determined in terms of s24I) exceeds R5 million, at least 50% of that gross income consists of amounts described in s9I(2)(c)?**

### 13.2.18 PERSONAL SERVICE PROVIDER

- In the "**Information to create this income tax return**" if "Yes" is selected this question "**Is the company a Personal Service Provider as defined in the Fourth schedule?**" This section of the return will only display.
- **Note:** A Personal Service Provider is any company (or trust) where services rendered on behalf of such company to a client of the company is rendered personally by any connected person (usually the shareholder or a relative of the shareholder) as defined in s1 in relation to such company and:

- The person rendering the service would be regarded as an employee of the client, had such service been performed directly to the client; or
  - The person or company or trust rendering the service is subject to the control and supervision of the client as to the manner in which the duties are performed in rendering such service and must be mainly performed at the premises of the client; or
  - More than 80% of the income of the company is directly or indirectly derived during the tax year from one client of the company or any associated institution as defined in the Seventh Schedule;
  - If the company throughout the year of assessment employs three or more full-time employees who are on a full-time basis engaged in the business of such company of rendering any such service, other than any employee who is a shareholder or member of the company or is a connected person in relation to such person will not be regarded as a personal service provider.
- S23(k) is applicable to a Personal Service Provider and prohibits a deduction of the following expenses incurred:
  - Legal expenses;
  - Bad debts;
  - Employers contribution to pension funds, provident funds or benefit funds;
  - Refunds of any amount, including voluntary awards, that are received or accrued for services rendered or to be rendered or any amount received or accrued for or by virtue of any employment or the holding of any office as was included in the taxable income of that person;
  - Refunds of restraint of trade payments;
  - Expenses in respect of premises;
  - Expenses for premises, finance charges, insurance, repairs and fuel and maintenance cost for assets where the premises or assets are used wholly or exclusively for the purposes of trade.
- **Was any service rendered on behalf of the company rendered by a connected person in relation to the company?**
  - “Yes” or “No” must be selected. If “No” is selected, the company will not be regarded as a Personal Service Provider and the error message below will be displayed. If “Yes” is selected, complete the next question.
- **How many full-time employees are on a full-time basis engaged in rendering any service of the company, excluding those who are shareholders or members or are connected to such shareholder or member?**
  - If this value exceeds two, the company will not be regarded as a Personal Service Provider and a message will be displayed. If this value is not in excess of two, complete the next question.
- **Note:** All the questions below must be completed with a “Yes” or “No”. If any of the following three questions is “No”, the company will not be regarded as a Personal Service Provider and a message will be displayed.
- **Would the person who is personally rendering the service have been regarded as an employee of the client if the service was rendered directly to the client and not through the company?**
- **Must the person who is rendering the service, perform the duties mainly at premises of the client, and if so, is that person subject to the control or supervision of the client as to the manner in which the duties are performed or are to be performed?**



- Does more than 80% of the income from services rendered by the company consist of or is likely to consist of amounts directly or indirectly received from any one client, or from any associated institution in relation to the client?
- Were the necessary adjustments made in respect of expenses not allowable in terms of s23(k)?
  - “Yes” or “No” must be selected.

### 13.2.19 ADDITIONAL ASSESSMENT INFORMATION

- For each of the following questions, a “Yes” or “No” must be selected:
- **Do you give consent that SARS can provide the attached financial statements to the Companies and Intellectual Property Commission (CIPC)?**
  - When the company answers “Yes” to this question, the intent from SARS is to make the annual financial statements available to the CIPC.
- **Has the financial statements been audited?**
- **Have the financial statements been reviewed?**
  - If “Yes” is selected in either two questions above, the following field must be completed:
  - **If “Yes”, provide the name of the entity that conducted the audit/review:** Free text field
  - Note that “No” can be selected to both the questions ‘*Have the financial statements been audited?*’ and ‘*Have the financial statements been reviewed?*’
  - The following question will only display if “Yes” was answered to the question ‘*Have the financial statements have been audited?*’
    - **Have the financial statements been qualified?** Select “Yes” or “No.” If “Yes” is selected, the following question must be completed:
    - If “Yes”, does this have any tax effects?
  - Select “Yes” or “No”.
- **Did the company generate a capital gain/loss or revenue gain/loss in respect of the early termination of a foreign instrument?**
- **Did the company prematurely terminate/unwind a hedge position where the tax value differs in relation to the economic value?**
- **Did the company enter into any sale and leaseback agreement?**
  - This field has been introduced into the return from the 2015 Year of Assessment onwards:
  - Select “Yes” or “No” to indicate whether the company entered into a sale and leaseback agreement.
- **Is the company a beneficiary of a trust? Select “Yes” or “No”.**
  - **If “Yes”, how many trusts?**
  - This question has been introduced into the return from the 2019 year of assessment onwards and will be displayed if the answer to the question “*Is the company a beneficiary of a trust?*” is “Yes”,
    - **Did the company receive any distribution(s) from a trust(s) during this year of assessment?**

- If **“Yes”**, the sub-container *“Taxable Distributions from all Trust(s) during this Year of Assessment included elsewhere in this return”* will be displayed for completion with the below fields:
    - Local CGT distribution
    - Foreign CGT Distribution
    - Local taxable income distribution
    - Foreign taxable income distribution
- **Did the company exercise any control of a trust?**
  - This field has been introduced into the return from the 2015 year of assessment onwards
  - Select **“Yes”** or **“No”** to indicate whether the company exercised any control of a trust during the YOA.
- **Is the company a founder / settlor / beneficiary of a foreign trust?**
  - This field has been introduced into the return from the 2015 year of assessment onwards
  - Select **“Yes”** or **“No”** to indicate whether the company is also a founder/settlor/beneficiary of a foreign trust.
- **Did the company make any donations to a foreign trust?**
  - This field has been introduced into the return from 2015 year of assessment onwards
  - Select **“Yes”** or **“No”** to indicate whether the company made donations to a foreign trust
- **Is the company a REIT (Real Estate Investment Trust) as defined in s1?**
  - Select **“Yes”** or **“No”** to indicate whether the company is the real estate investment trust. This field has been introduced into the return and is mandatory from 2014 year of assessment onwards and optional for prior years.
- **Did the company sell goods or services online?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2017 year of assessment onwards.
- **Did the company participate in any farming activities?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2017 year of assessment onwards.
  - If **“Yes”** is selected, the following note will be displayed:
    - *“Please upload the required farming schedule as part of your return submission”*
- **“Is the company carrying on banking, financial services or insurance business?”**
  - If **“Yes”** is selected, the following question will be asked **“Is the company a “covered person” as envisaged in paragraph (c)(i) to (iii) and (d) of that definition in s24JB?”**
    - If **“Yes”** is selected; *“Allowance i.r.o. impairments (s11(jA))”* will be displayed for Small and Medium to Large Companies, in the *“Special Allowances Not Claimed in the Income Statement”* container and in the *“Allowances /*

- Deductions Granted in Previous Years of Assessment and now Reversed” container.
  - If **“No”** is selected, “Allowance in respect of impairments (s11(jA))” must not be displayed in the dropdown list for Small and Medium to Large Companies in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” container.
  - For 2019 year of assessment onwards, if “No” is selected, the following fields will be displayed for completion in the Small and Medium to Large Companies in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” containers
    - Doubtful Debt allowance – IFRS applied (s11(j)(i))
    - Doubtful Debt allowance – IFRS not applied (s11(j)(ii))
- **Is the company listed on a recognised stock exchange as referred to in p1 of the Eighth Schedule?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company part of a group of companies as defined in s1?**
  - Select **“Yes”** or **“No”**. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company part of a multinational enterprise? Select “Yes” or “No”. Applicable from the 2017 YOA onwards.**
  - **Did the company enter into potentially affected transactions exceeding an aggregate value of R100 million for the year of assessment as referred to in Public Notice No 1117 (published in GG No. 41186 of 20 October 2017)?**
    - This field has been introduced into the return from 2019 year of assessment onwards.
- **Did the financial year end of the company change during this year of assessment? Select “Yes” or “No”.**
  - This field has been introduced into the return from the 2017 YOA onwards.
  - If Yes, complete the following fields:
    - From 2019 year of assessment, indicate the period of the financial statement(s) used for the completion of this return:
      - Start Date (CCYYMMDD)
      - End Date (CCYYMMDD)
  - Please note that the company should only submit one ITR14 return in respect of the above period. The financial statement(s) applicable to this period must be submitted in support of the ITR14 return.
- **Example:**
  - The FYE in the 2019 year of assessment (YOA) was 05 (31 May), and during the 2020 year the taxpayer requested the FYE to be changed to 12 (31 December).

- The company must complete the ITR14 return in respect of the 2020 year of assessment for the period from 2019/06/01 to 2020/12/31, and upload the relevant financial statement(s) in support thereof.
- **Is the company a SARS approved Venture Capital Company as defined in s12J?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company a qualifying company as defined in s12J?**
  - Select “Yes” or “No”. This field has been introduced into the return from the 2019 year of assessment onwards.
- **Is the company an Oil and Gas Company as defined in the Tenth Schedule? Select “Yes” or “No”.**
  - This field has been introduced into the return from 2017 year of assessment.
  - If “Yes” is selected, complete the next question:
    - **Does a different tax rate apply to Oil and Gas the company and/or any rights(s) held by that company? Select “Yes” or “No”.**

### 13.2.20 CRYPTO ASSETS TRANSACTIONS (LOCAL / FOREIGN)(EXCLUDING CGT)

- This section has been introduced into the return from the 2019 year of assessment onwards.
- **Were any transactions relating to crypto assets included in the income statement?**
  - Select “Yes” or “No”. If “Yes”, complete the field “*Gross crypto assets amount included in income statement*” field.
- **Did the transaction(s) relating to crypto assets result in a profit?**
  - Select “Yes” or “No”.
    - If “Yes”, the “*Profit relating to crypto assets trading*” field will be available for completion.
    - If “No”, the “*Loss relating to crypto assets trading*” field will be available for completion.
- **Amount of crypto assets included as assets in the Balance Sheet**
  - Complete the “*Amount of crypto assets included as assets in the Balance Sheet*” field.

### 13.2.21 SMALL BUSINESS CORPORATION

- In the “***Information to create this income tax return***” if “Yes” is selected to this question “**Is the company a Small Business Corporation as defined in s12E?**” This section of the return will only display.
- **Note:**
- S12E(4)(a) requires that a company will be a Small Business Corporation if:

- The taxpayer is incorporated within South Africa and is trading as either a close corporation, co-operative or private company
  - All the holders of the shares in the company, close corporation or co-operative are, at all times, must be natural persons
  - The gross income of the company, close corporation or co-operative does not exceed R20 million during the year of assessment
  - The personal service income and investment income, collectively, does not exceed 20% of the total receipts and accruals (excluding capital receipts but including capital gains)
  - The company is not a personal service provider.
- **State the gross income, as defined in s1, of the company**

Complete the gross amount.

  - For Financial Year End prior to 20130430 the gross income should not be in excess of R14 million - if it is in excess of R14 million the business will not qualify as a Small Business Corporation.
  - For Financial Year End on or after 20130430, the gross income should not be in excess of R20 million - if it is in excess of R20 million the business will not qualify as a Small Business Corporation.
- Complete the following lists of questions as “Yes” or “No”. If any of the following questions are “No”, the company will not be regarded as a small business corporation and a message will be displayed.
  - **Does the company declare that not more than 20% of the total of all receipts and accruals (other than of a capital nature) and all capital gains of the company consists collectively of investment income and income from rendering a personal service?**
  - **Does the company declare that the company is not a Personal Service Provider as defined in the Fourth Schedule?**
  - **Does the company declare that all of the shareholders/members were natural persons (individuals) throughout the year of assessment?**
  - **Does the company declare that none of the shareholders/members of the company held shares / interests in another close corporation, company or co-operative other than those specified in s12E(4)(a)(ii)?**

### 13.2.22 SPECIAL ECONOMIC ZONE (SEZ)

- The Special Economic Zone tax incentive was introduced in an effort to improve governance, streamline procedures, provide more focused support for businesses operating in these special economic zones, and to replace the Industrial Development Zones tax incentive mainly to encourage higher levels of investments in the economic zones.
- Qualifying companies operating within the Special Economic Zone are taxed at 15% as compared to the normal rate of 28% applicable to companies.
- A “qualifying company” operating in a Special Economic Zone will be disqualified from the benefits of the incentive where the following is applicable:
  - The company conducts any activity (classified in the SIC code) referred to in s12R(4)(a) or (b), or

- More than 20% of deductible expenditure is incurred or more than 20% of income is received/accrued in respect of transactions with a connected person in relation to the company (s12R(4)(c)).
- This container has been introduced into the return from the 2018 year of assessment onwards. It will be displayed when the wizard question on Special Economic Zones “Is the company a qualifying company as defined in s12R” was responded to as ‘Yes’.
- The following questions are mandatory and must be completed:
- **Is the company located in a Special Economic Zone(s)?**
  - Select either “Yes” or “No”. If “Yes” is selected, the following field will be displayed: “Please select/de-select which Special Economic Zone(s) the company is located in?”
- Please select/de-select the Special Economic Zone(s) the company is located in”
  - Coega SEZ;
  - Dube Trade Port SEZ;
  - East London SEZ;
  - Maluti-a-Phofung SEZ;
  - Richards Bay SEZ;
  - Saldanha Bay SEZ;
  - Other.
- If you selected “Other” as a Special Economic Zone(s), please list them in the field provided.
- Select either “Yes” or “No” to the following questions:
  - **Is the business or services carried on or provided from a fixed place of business situated within the Special Economic Zone(s)?**
  - **Is at least 90% of the income of the company derived from the carrying on of a business, or the provision of services within a special economic zone(s)?**
  - **Does the company confirm that it does not conduct any of the activities specifically excluded for the purposes of s12R?**
  - **Does the company confirm that not more than 20% of expenses incurred or income received or accrued do not arise from transactions with any resident connected person in relation to the company or any non-resident connected person where those transactions are attributable to a permanent establishment of that connected person(s) in the Republic?**  
**Note: The following new questions were added to the "Special Economic Zones" container and are mandatory from 2019 year of assessment and onwards:**
  - **Does the company confirm that it carried on a trade before 1 January 2013 in a location that is subsequently approved as a SEZ?**
  - **Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade is not previously carried on by the company or any connected person in relation to that company in the Republic?**
  - **Does the company confirm that it commenced the carrying on of a trade, on or after 1 January 2013, in a location that is approved or subsequently approved as a SEZ, and that trade comprises of:**
    - **The production of goods not previously produced by the company or any connect person in relation to the company in the Republic;**
    - **The use of new technology in that company’s production processes; or**
    - **An increase in the production capacity of that company in the Republic?**

### 13.2.23 CONTRIBUTED TAX CAPITAL

- In the “*Information to create this income tax return*” if “**Yes**” is selected to this the question “**Is the company resident in South Africa for income tax purposes?**” This section of the return will only display.
- **Note:**
  - The *Contributed Tax Capital* sections will repeat according to the numeric value entered in the question “**How many different classes of shares have been issued by the company?**” on the “*Information to create this income tax return*” page.
  - If four *Contributed Tax Capital* sections were created, it is mandatory that all four must be completed. If incorrectly created, refer back to the “*Information to create this income tax return*” to rectify.
  - Companies must have a Contributed Tax Capital (CTC) register in place for each class of share, which reflects its CTC balance as at 1 January 2011. CTC consists of a company’s pure share capital and share premium. This excludes any capitalised reserves as at 1 January 2011, but includes any consideration received after that date for the issue of shares, reduced by any subsequent distribution of CTC.
- The company’s CTC opening balance as at 1 January 2011 must have been calculated as follows:
  - The value of the company’s share capital and share premium prior to 1 January 2011.
  - The above result must have been reduced by so much of the share capital and share premium as would have constituted a dividend (as defined before 1 Jan 2011), had that share capital been distributed immediately before that date.
- The definition (applicable from 1 January 2011) of a dividend is linked to the CTC concept. If a company is distributing an amount to shareholders, an important question is whether the amount is a dividend or a reduction of CTC. A reduction of CTC will not constitute a dividend.
- In terms of the definition of “dividend” any buy-back of shares or distribution by a company will constitute a dividend unless the amount transferred:
  - Reduces the CTC.
  - Constitutes shares in that company.
  - Is a buy-back of listed shares under specified circumstances?
- **Description of class of shares**
  - Complete the description of class of shares in the 150 characters provided.
  - For Close Corporations, the definition of a “share” (any unit into which the proprietary interest in the company is divided) according to the Companies Act includes the members’ interests in a close corporation. Members’ interest therefore must be regarded as a class of share.
  - The distinction between different types of shares (e.g. ordinary, preference, redeemable etc.) must be declared separately. Furthermore, if the company has only issued one class of ordinary shares (for example) then a general description would be in order. However, if classes A, B and N ordinary shares have been issued then each class of ordinary share must be specified separately i.e. different rights for the different shareholders must be declared separately.
- Complete the following currency fields (15 characters) in Rands (No cents):
  - **Amount of contributed tax capital:**
    - **(a) Immediately before 1 January 2011; or**

- (b) Where the company became a resident since 1 January 2011;
- Add: Consideration received of a accrued for the issue of shares by the company;
- Deduct: Amounts transferred to holders of shares;
- Deduct: Adjustments in terms of s8G;
- Deduct: Reduction as a result of the application of s42;
- Deduct: Reduction as a result of the application of s44;
- Deduct: Reduction as a result of the application of s46.

**Note:** The fields above should be completed to reflect the status quo as at the end of the current year of assessment (i.e. it should be an aggregation of all movement since 1 January 2011).

- **Balance of contributed tax capital at the end of the year of assessment:** This currency field (15 characters) will be calculated by SARS. The balance can never be a negative value.

### 13.2.24 URBAN DEVELOPMENT ZONE (s13quat)

- In the **“Information to create this income tax return”** if **“Yes”** selected to this question **“Did the company qualify for an Urban Development Zone deduction (s13quat)?”** This section of the return will only display.
- **Note:** A deduction in respect of the Urban Development Zone (UDZ) allowance will be allowed in the determination of the taxable income of a person that constructed, improved or purchased a building from a developer, provided all the requirements are complied with. When claimed, the tax incentive reduces the taxable income. The incentive is not limited to the taxable income and can create an assessed loss. This allowance (the UDZ allowance) is applicable in respect of the –
  - Erection of new buildings and/or extension or additions to any existing buildings, (excluding low-cost residential units);
  - improvements to existing buildings (excluding low-cost residential units);
  - Erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential buildings).
  - Improvements to existing buildings (low-cost residential buildings)
  - The erection, extension, improvement or addition of building or part of representing a floor area of at least 1 000 m<sup>2</sup>; or
  - Purchase of such a building or part of a building directly from a developer on or after 8 November 2005, provided that certain requirements are met.
- A person will only qualify for the UDZ allowance in respect of a building or part of the building constructed, improved or purchased directly from a developer within an urban development zone (UDZ), if the building or that part of the building is used solely for the purposes of that person’s trade and was brought into use for these purposes on or before 31 March 2021.
- The following questions must be completed with a **“Yes”** or **“No”**:
- **Is the building for which the company is claiming an allowance in an approved demarcated zone?**
  - If **“No”** is selected, the error message below will tell you that an UDZ allowance cannot be claimed.
- **Did the company receive a certificate issued by the municipality confirming that the building for which the company is claiming an allowance is in an urban development zone?**



- If **“No”** is selected, the error message below will tell you that an UDZ allowance cannot be claimed
  - If **“Yes”** is selected, the certificate issued by the municipality must be kept for a period of five years as required by s29 of the Tax Administration Act.
- **Did the company erect, extend, add or improve the building for which the company is claiming an allowance with the sole purpose of disposing thereof directly on completion?**
  - If **“Yes”** is selected, a message will be displayed that indicate that an UDZ allowance cannot be claimed.
  - If **“No”** is selected, the following currency field (15 characters) must be completed in Rands (No Cents):
    - **If No, state the total amount incurred for the erection, extension, addition or improvement of the building.**
- **Did the company purchase the building or part thereof from a developer?**
  - If **“Yes”** is selected, the following currency field (15 characters) must be completed in Rands (No Cents):
    - **If “Yes”, state the purchase price of the building or part thereof**
  - **State the amount of the purchase price deemed to be cost incurred by the company in terms of s13quat (3B).**
- **Did the company use the building erected, extended, improved or added on to solely for the trade of the company during the year of assessment?**
  - If **“No”** is selected, a message will indicate that an UDZ allowance cannot be claimed.
- **Did the company incur costs for the erection, extension or addition relating to low cost housing (s13quat(3A))?**
  - If **“No”** is selected, the following two fields must be zero in the “Urban Development Zone (s13quat) container:
    - UDZ (s13quat) - erection of new buildings and/or extensions or additions to any existing buildings (low-cost residential units)
    - UDZ (s13quat) – improvements to existing buildings (low-cost residential units)

### 13.2.25 SHARES

- **Was there any change in shareholder’s interest during the year of assessment (excluding listed companies)?**
  - Complete the questions by selecting **“Yes”** or **“No”**.

### 13.2.26 COMPANY STRUCTURE

- In the **“Information to create this income tax return”** if **“Yes”** is selected to this question **“Is the company part of a group companies that prepares consolidated Financial Statements”**, this section of the return will only display.
  - This field has been introduced into the return from the 2017 YOA onwards.
- **Specify the name of the ultimate holding company:** Complete the name of the company. This is a free text field;
  - In the case of a Trust being the ultimate holding entity, complete the name of the Trust.

- **Company/CC/Trust registration number:** Complete the registration number.
  - Ensure that the group organogram with the correct information of the Group Structure is uploaded as supporting documents with the submission of the return.
- **Is the ultimate holding company resident outside South Africa?** Specify “Yes” or “No”.
  - **If Yes, specify the tax residency country code of the ultimate holding company:** If the user clicks on this field, a popup is displayed which contains a list box containing a list of valid country names. The popup also contains two buttons: “Ok” and “Cancel”. Alternatively refer to *Annexure F* for a list of all the valid country names.
  - If “No” is selected, complete the following field:
    - **If No, specify the income tax reference number of the ultimate holding company:** Enter the income tax number.
- Select “Yes” or “No” to the following questions:
  - **Is the company a partner in an unincorporated joint venture?**
  - **Is the company part of a group of companies with a group consolidated turnover greater than R1 billion?**

### 13.2.27 SUBSIDIARY DETAILS

- In the “**Information to create this income tax return**” if “Yes” was selected to this question “**Is the company part of group companies that prepares consolidated Financial Statements?**” this will be a sub container in the Company Structure section of the return.
- **Group Consolidated turnover:** the following consolidated field (15 characters) must be completed.
- **Please confirm that the applicable group structure organogram has been completed and will be attached as a supporting document to this return** (Please refer to External guide - GEN-ENR-01-G07-How to complete and submit your Country by Country information).

### 13.2.28 MULTINATIONAL ENTITY (MNE)

- In the “**Information to create this income tax return**” if “Yes” is selected to this question “**Is the company a member of Multinational Enterprise (MNE) as defined in the Country-by-Country regulations?**” This section of the return will only display (Please refer to External guide - GEN-ENR-01-G07-How to complete and submit your Country by Country information).
- **Specify the tax jurisdiction of the reporting entity for the MNE Group.** If the user clicks on this field, a popup is displayed which contains a list box containing a list of valid country names. The popup also contains two buttons: “Ok” and “Cancel”. Alternatively refer to *Annexure F* for a list of all the valid country names.
- **Specify the name of the reporting entity below:** Complete the free text field
- **Specify the Income Tax number of the reporting entity.**
  - This field will only display if “South Africa” is selected in the tax jurisdiction field.
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Specify the Tax Identification number of the reporting entity**

- This field will only display if the tax jurisdiction of the reporting entity has been indicated as any other country but South Africa.
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Specify if the reporting entity is the ultimate parent entity or a surrogate parent entity**
  - Select “Ultimate Parent Entity” or “Surrogate Parent Entity” from the dropdown box.
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Specify the reporting fiscal year end of the MNE Group (CCYYMMDD)**
  - This field has been introduced into the return from the 2019 year of assessment onwards.

### 13.2.29 BALANCE SHEET

- The figures to be used for completion are the figures reflected in the annual financial statements of the Company (not the group or consolidated annual financial statements).
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Non-current assets**
  - The following currency fields must be completed in Rands (No Cents):
    - Fixed property;
    - Fixed assets – other;
    - Plant and equipment;
    - Vehicles (This field has been introduced into the return from the 2016 year of assessment onwards)
    - Goodwill and intellectual property;
    - Investments in subsidiaries;
    - Long-term loans – interest free: Connected (Local);
    - Long-term loans – interest free: Non-Connected (Local);
    - Long-term loans – interest free: Connected (Foreign);
    - Long-term loans – interest free: Non-Connected (Foreign);
    - Long-term loans – interest bearing: Connected (Local);
    - Long-term loans – interest bearing: Non-Connected (Local);
    - Long-term loans – interest bearing: Connected (Foreign);
    - Long-term loans – interest bearing: Non-Connected (Foreign);
    - Deferred tax assets;
    - Other non-current assets.
- **Please provide descriptions relating to other non-current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other non-current assets*”. The maximum length is 150 characters.
- **Total non-current assets:** This currency field (15 characters) will be calculated by SARS
- **Current Assets**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Gross inventory (incl. spare parts and consumables and work in progress);

- Less: Provisions for inventory write off;
  - Gross trade and other receivables (excl. debtors);
  - Less: Provisions for trade and other receivables (excl. debtors);
  - Gross debtors (excl. trade debtors);
  - Less: Provisions for debtors (excl. trade debtors);
  - Prepayments;
  - Group companies current accounts;
  - Short-term investments;
  - SA Revenue Service;
  - Cash and cash equivalents;
  - Other current assets.
- **Please provide descriptions relating to other current assets listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other current assets*”. The maximum length is 150 characters.
  - **Total current assets:** This currency field (15 characters) will be calculated by SARS
  - **Capital and Reserves**
  - **Credit balances**
    - The following currency fields (15 characters) must be completed in Rands (No Cents):
      - Share capital;
      - Share premium;
      - Non-distributable reserves for credit balances;
      - Distributable reserves (excl. retained profit/accumulated loss);
      - Retained profit;
      - Other capital and reserves.
  - Please provide descriptions relating to other capital and reserves (credit balances) listed above: Free text field – The maximum length is 150 characters.
  - **Please provide descriptions relating to other capital and reserves (credit balances) listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other capital and reserves*”. The maximum length is 150 characters.
  - **Debit balances**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Accumulated loss;
    - Other capital and reserves for debit balances.
    - **Please provide descriptions relating to other capital and reserves (debit balances) listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other capital and reserves for debit balances*”. The maximum length is 150 characters.
  - **Total Capital and Reserves:** This field will automatically be calculated on eFiling or for non-eFilers, when the SARS agent captures the return in the branch.
  - **Non-Current Liabilities**
    - The following currency fields (15 characters) must be completed in Rands (No Cents):
      - Long-term loans – interest free: Connected (Local);
      - Long-term loans – interest free: Non-Connected (Local);
      - Long-term loans – interest free: Connected (Foreign);

- Long-term loans – interest free: Non-Connected (Foreign);
  - Long-term loans – interest bearing: Connected (Local);
  - Long-term loans – interest bearing: Non-Connected (Local);
  - Long-term loans – interest bearing: Connected (Foreign);
  - Long-term loans – interest bearing: Non-Connected (Foreign);
  - Deferred tax liability;
  - Other non-current liabilities.
- Please **provide descriptions relating to other non-current liabilities listed above**: This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other non-current liabilities*”. The maximum length is 150 characters.
- **Total non-current liabilities**: This currency field (15 characters) will be calculated by SARS
  - **Current Liabilities**
    - The following currency fields (15 characters) must be completed in Rands (No Cents):
      - Gross trade and other payables (Not older than 3 years);
      - Gross trade and other payables (Older than 3 years);
      - Provisions – excluding inventory and trade receivables;
      - Deposits and funds received in advance (excl. contract progress payments);
      - Group companies current accounts;
      - Contract progress payments received in advance;
      - Current portion of interest bearing borrowings;
      - Current portion of interest free borrowings;
      - Overdraft and interest bearing short-term borrowings;
      - SA Revenue Service;
      - Shareholders for dividend / proposed dividend;
      - Other current liabilities.
    - **Please provide descriptions relating to other current liabilities listed above**: This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other current liabilities*”. The maximum length is 150 characters.
    - **Total current liabilities**: This currency field (15 characters) will be calculated by SARS.

### 13.2.30 INCOME STATEMENT

- The figures to be used are the figures reflected in the annual financial statement of the Company (not the group or consolidated annual financial statements).
  - When completing the Gross Profit/Loss part of the return, the normal accounting meaning attached to the terms reflected in the tax return must be followed. In the event that a company does not have any cost of sales, for example a property rental company, the turnover and gross profit will be the same amount.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Gross Profit / Loss**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Gross Sales (excl. credit notes) – Foreign: Connected;

- Gross Sales (excl. credit notes) – Other than foreign connected;
  - Less: Opening stock;
  - Less: Credit notes on sales;
  - Less: Purchases – Foreign: Connected (excl. rebates);
  - Less: Purchases – Other than foreign connected (excl. rebates);
  - Add: Rebates;
  - Add: Closing stock (Gross excl. adjustments);
  - Add: Inventory adjustments (Previous year stock provision reversed);
  - Less: Inventory adj. (Current year stock provision (obsolete / slow-moving stock)).
- **Gross profit – subtotal:** This currency fields (15 characters) will be calculated by SARS. Either a gross profit or gross loss applies. If a gross profit applies, the gross loss field is not applicable. If the net figure is R0 (zero), then this value applies to the gross profit field.
  - **Gross loss – subtotal:** This currency fields (15 characters) will be calculated by SARS. Either a gross profit or gross loss applies. A loss is indicated as a positive value in the gross loss field.
  - **Income Items (Only credit amounts)**
    - The following currency fields (15 characters) must be completed in Rands (No Cents):
      - Accounting profit on disposal of fixed assets and / or other assets
      - Admin, secretarial, rentals, guarantee fees and other services – Connected (Local);
      - Admin, secretarial, rentals, guarantee fees and other services – Connected (Foreign);
      - Admin, secretarial, rentals, guarantee fees and other services – Non-connected;
      - Amounts deemed to be dividends in specie (s8F and s8FA);
      - Bad and doubtful debts recovered;
      - Dividends – local;
      - Dividends – foreign;
      - Dividends(local and foreign)deemed to be income(s8F and s8EA);
      - Tainted Dividends (local and foreign) deemed to be income (s22B);
      - Fruitless and Wasteful expenditure: This field has been introduced into the return from the 2019 year of assessment and to entities subject to the Public Finance Management Act 1999;
      - Foreign exchange gain
      - Government grants(national, provincial and local);
      - Gross royalties and license fees;
      - Indemnity payments: This field has been introduced into the return from the 2015 year of assessment onwards;
      - Insurance proceeds received (This field has been introduced into the return from the 2016 year of assessment onwards);
      - Interest – Financial institutions;
      - Interest – Connected;
      - Interest – Non-connected (excluding SARS interest (s7E));
      - SARS Interest (s7E);
      - Levy income;
      - REIT distributions received;
      - Reversal of impairment loss recognised in profit or loss;
      - Other income.
  - **Please provide descriptions relating to other income listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other income*”.

- **Control Total:** This currency field (15 characters) will be calculated by SARS.
- **Expense Items (Only debit amounts)**
  - The following currency fields (15 characters) must be completed in Rands (No Cents):
    - Accommodation and travel expenses: Local;
    - Accommodation and travel expenses: Foreign;
    - Accounting loss on disposal of fixed assets / other assets;
    - Admin, secretarial, rentals, guarantee fees and other services – Connected (Local);
    - Admin, secretarial, rentals, guarantee fees and other services – Connected (Foreign);
    - Admin, secretarial, rentals, guarantee fees and other services – Non-connected;
    - Alterations and improvements (excluding repairs and maintenance);
    - Bad debts written off;
    - Capital improvements – farming operations (p12 of the First Schedule);
    - Commission paid;
    - Compensation for loss of office;
    - Consulting, legal and professional fees;
    - Depreciation;
    - Directors’/members’ remuneration;
    - Donations – (s18A);
    - Donations – other;
    - Employee expenses: Wages and salaries (excluding medical, provident and pension);
    - Employee expenses: Group life insurance;
    - Employee expenses: UIF contributions and SDL;
    - Employee expenses: Pension and Provident fund contributions;
    - Employee expenses: Medical scheme contributions;
    - Employee expenses: Membership of a professional body;
    - Employee expenses: Training;
    - Expenditure incurred by a lessor of land let for farming purpose in respect of soil erosion (s17A);
    - Expenditure incurred directly or indirectly in effecting BEE and / or BBEEE compliance;
    - Expenditure incurred in respect of company restructuring: This field has been introduced into the return from the 2015 year of assessment onwards;
    - Foreign exchange loss ;
    - Impairment loss recognised in profit or loss;
    - Insurance (excluding s37A payments);
    - Insurance premium in respect of rehabilitation obligations (s37A)
    - Interest – financial institutions;
    - Interest – Connected (Local);
    - Interest – Connected (Foreign);
    - Interest – Non-connected;
    - Interest and penalties paid to SARS (excluding SARS interest repaid that was previously taxed i.t.o. s7E);
    - Key man insurance (s11(w));
    - Lease payments other than operating leases;
    - Management fees - Connected;
    - Management fees – Non-connected;
    - Operating lease payments - Connected;
    - Operating lease payments – Non-connected;
    - Partnership/Joint venture loss – Foreign;
    - Partnership/Joint venture loss – Local;
    - Provision for doubtful debts;
    - Repairs and maintenance;

- Research and development costs (s11D): This field has been introduced into the return from the 2007 year of assessment onwards;
  - Restraint of trade;
  - Repair and maintenance
  - Royalties and license fees (excluding payments in terms of mineral and petroleum resources royalties) – Local;
  - Royalties and license fees (excluding payments in terms of mineral and petroleum resources royalties) – Foreign;
  - Mineral and Petroleum Resources royalty;
  - Small items and loose tools
  - Other expenses (excluding item listed above)
- **Please provide descriptions relating to other income listed above:** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “*Other income*”. The maximum length is 150 characters.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.
  - **Net Profit / Loss**
  - **Net Profit – Subtotal:** This currency fields (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch. Either a net profit or net loss applies. If a net profit applies, the net loss field is not applicable. If the net figure is R0 (zero), then this value applies to the net profit field.
  - **Net Loss – Subtotal:** This currency fields (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch. Either a net profit or net loss applies. A loss is indicated as a positive value in the net loss field.

### 13.2.31 TAX COMPUTATION

- In all instances where the accounting and tax treatment of items are different, the full accounting amount must be reversed and similarly the full tax treatment amount disclosed.
- For example: Prepayment is claimed for accounting purposes on the income statement but is limited by **s23H**. The portion that is limited (not allowed) must be added back as a credit adjustment. If the relevant payment is on the balance sheet, then only the qualifying portion must be indicated under the “Special allowances not claimed” section.

### 13.2.32 DEBIT ADJUSTMENTS (DECREASE NET PROFIT/INCREASE NET LOSS)

- NON-TAXABLE AMOUNTS CREDITED TO THE INCOME STATEMENT
- Only complete the relevant currency fields (15 characters) where the adjustment is applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those adjustments relevant to the company must be selected and completed:
  - Accounting interest received/receivable;
  - Accounting profit on disposal of fixed and/or other assets;
  - Adjustments to comply with IFRS: Accounting: This field has been introduced into the return from the 2006 year of assessment onwards;
  - Adjustments to comply with IFRS: Fair value: This field has been introduced into the return from the 2006 year of assessment onwards;
  - Amounts previously taxed as received in advance;
  - Amounts deemed to be dividends *in specie* (s8F and s8FA);
  - Exempt local dividends;



- Exempt foreign dividends (s10(1)(k)(ii));
  - Income exempt in respect of mining rehabilitation company (s10(1)(cP): This field has been introduced into the return from the 2019 year of assessment;
  - Exemption in terms of s(10)(1)(t)
  - Exemption in terms of s(10)(1)(yA)
  - Fruitless and Wasteful expenditure: This field has been introduced into the return from the 2019 year of assessment and to entities subject to the Public Finance Management Act 1999;
  - Other Income exempt from tax i.t.o. s10(1) not included elsewhere;
  - Exempt foreign dividends (s10B);
  - Exemption in respect of films (s12O) (This field was moved here from the 2016 year of assessment onwards);
  - Exempt income received or accrued in respect of government grants (s12P): This field has been introduced into the return from the 2015 year of assessment onwards.
  - Income exempt in respect of ships used for international shipping (s12Q): This field has been introduced into the return from the 2015 year of assessment onwards;
  - Foreign exchange gain adjustment (s24I)(excluding s24I(4));
  - Foreign currency translation adjustment (s25D);
  - Income not taxable by virtue of double taxation agreement;
  - Mineral and Petroleum Resources Royalty adjustment;
  - Receipts and / or accruals of a capital nature;
  - Reversal of provisions;
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked on the selection list.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.

### 13.2.33 SPECIAL ALLOWANCES NOT CLAIMED IN THE INCOME STATEMENT

- Only complete the relevant currency fields (15 characters) where the special allowances are applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those special allowances relevant to the company must be selected and completed:
  - Restraint of trade (s11(cA)): This field has been introduced into the return from the 2000 year of assessment onwards;
  - Wear and tear allowance (s11(e));
  - Lease premium allowance (s11(f));
  - Improvement to leasehold premises (s11(g));
  - Doubtful debt allowance - IFRS applied (s11(j)(i)): This field has been introduced into the return from the 2019 year of assessment onwards;
  - Doubtful debt allowance – IFRS not applied (s11(j)(ii)): This field has been introduced into the return from the 2019 year of assessment onwards;
  - Loss allowance i.r.o impairments (s11(jA))
  - Amortisation of lump sum contributed to retirement/benefit funds (s11(l));
  - Broad-based employee share plan (deduction this year) (s11(lA)): This field has been introduced into the return from the 2005 year of assessment onwards;
  - Depreciable asset allowance (s11(o));
  - Expenditure before commencing trade (s11A);
  - Deduction against Foreign Dividends (s11C): This field has been introduced into the return from the 2005 year of assessment onwards;
  - Research and development deduction (s11D)– This field has been introduced into the return from the 2007 year of assessment onwards;

- Machinery, plant, implements, utensils and articles deduction (s12B) - excluding solar energy;
- Machinery, plant, implements, utensils and articles deduction (s12B) - photovoltaic solar energy of more than 1 megawatt;
- Machinery, plant, implements, utensils and articles deduction (s12B) - photovoltaic solar energy not exceeding 1 megawatt;
- Machinery, plant, implements, utensils and articles deduction (s12B) - concentrated solar energy;
- Manufacturers, hotel keepers, aircraft, ship, storage and packing of agricultural products deduction (s12C);
- Pipelines, transmission and rail deduction (s12D): This field has been introduced into the return from the 2000 year of assessment onwards.
- Rolling stock (s12DA): This field has been introduced into the return from the 2008 year of assessment onwards.
- Plant and machinery where company qualifies as a SBC (s12E): This field has been introduced into the return from the 2002 year of assessment onwards;
- Airport and port assets (s12F): This field has been introduced into the return from the 2008 year of assessment onwards.
- Learnership agreements registered / in effect (s12H) for learners with a disability - agreements entered into before 1 October 2016
- Learnership agreements registered/in effect (s12H) excluding learners with a disability - agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 year of assessment onwards);
- Registered Learnership agreements completed in the current year(s12H) - excluding learners with a disability - agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 year of assessment onwards);
- Learnership agreements registered/in effect (s12H) for learners with a disability - agreements entered into before 1 October 2016 (This field has been introduced into the return from the 2016 year of assessment onwards);
- Registered learnership - agreement completed in current year (s12H) for learner with a disability – agreements entered into before 1 October 2016.( This field has been introduced into the return from the 2016 year of assessment onwards);
- Learnership Allowance (s12H) - agreements in effect/ completed in current year (agreements entered into on or after 1 October 2016)
- Lease payments on capitalised leased assets
- Industrial Policy Project with preferred status (s12I)
- Industrial Policy Project with preferred status located within a SEZ (s12I)
- Industrial Policy Project with qualifying status (s12I)
- Industrial Policy Project with qualifying status within a SEZ (s12I)
- Expenditure incurred before 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J)
- Expenditure incurred on or after 21 July 2019 in exchange for the issue of Venture Capital Company shares (s12J)
- Allowance in respect of land conservation in respect of nature reserves or national parks (s37D). This field has been introduced into the return from the 2016 year of assessment onwards;
- Industrial policy projects: Brownfield projects (s12I): This field has been introduced into the return from the 2009 year of assessment onwards.
- Industrial policy projects: Greenfield projects (s12I): This field has been introduced into the return from the 2009 year of assessment onwards.
- Expenditure incurred in exchange for the issue of Venture Capital Company Shares (s12J): This field has been introduced into the return from the 2010 year of assessment onwards.
- Certified Emission Reduction – Exemption (s12K): This field has been introduced into the return from the 2009 year of assessment onwards.
- Energy efficiency savings deduction (s12L): This field has been introduced into the return from the 2013 year of assessment onwards.

- Deduction of medical lump sum payments (s12M): This field has been introduced into the return from the 2010 year of assessment onwards;
- Improvements not owned by the company (s12N): This field has been introduced into the return from the 2015 year of assessment onwards;
- Improvements on property of which government holds a right of use or occupation (s12NA): This field has been introduced into the return from the 2015 year of assessment onwards;
- Deductions in respect of buildings in special economic zones (s12S) (This field has been introduced into the return from the 2016 year of assessment onwards);
- Deductions in respect of roads and fences in respect of production of renewable energy (s12U);
- Deduction for buildings used in a manufacturing process (s13);
- Hotel building deduction (s13bis);
- Residential building deduction (s13ter);
- UDZ (s13quat) - erection of a new building and /or extensions or additions to any existing buildings (excl. low - cost residential units) This field has been introduced into the return from the 2005 year of assessment onwards.
- UDZ (s13quat) - improvements to existing buildings (excl. low-cost residential units) This field has been introduced into the return from 2005 year of assessment onwards;
- UDZ (s13quat) - erection of a new building and /or extensions or additions to any existing buildings (low-cost residential units);
- UDZ (s13quat) - improvements to existing buildings (low-cost residential units);
- Commercial building deduction (s13quin): This field has been introduced into the return from the 2008 year of assessment onwards;
- Residential unit deduction (s13sex): This field has been introduced into the return from the 2009 year of assessment onwards;
- Low cost residential unit deduction (s13sept): This field has been introduced into the return from the 2009 year of assessment onwards;
  - Note that this field is not applicable:
    - For companies with a financial year end of January and February, from the 2023 year of assessment
    - For companies with a financial year end as of March to December, from the 2022 year of assessment
- Redemption allowance (mining operations) (s15(a));
- Reversal of closing values of work in progress (s22(2A)) - previous year: This field has been introduced into the return from the 2003 year of assessment onwards;
- Reversal of closing values of consumable stock and spare parts (previous year): This field has been introduced into the return from the 2000 year of assessment onwards;
- Prepaid expenditure not limited by s23H: This field has been introduced into the return from the 2000 year of assessment onwards;
- Credit agreement and debtors allowance (hire-purchase) (s24);
- Allowance for future expenditure (s24C);
- Film allowance (s24F);
- Interest Incurred (s24J and s24JA);
- Mark-to-market treatment in respect of financial assets and liabilities (s24JB) (This field has been introduced into the return from the 2016 year of assessment onwards);
- Incurral of amounts in respect of interest rate agreements (s24K);
- Incurral of amounts in respect of option contracts (s24L);
- Incurral of amounts in respect of assets acquired for unquantified amount (s24M);
- Incurral of amount in respect of acquisition of equity share (s24N);
- Incurral of interest in respect of certain debts deemed to be in the production of income(s24O);
- Allowance in respect of future repairs to certain ships (s24P);
- Qualifying distributions by a REIT (s25BB) (This field has been introduced into the return from the 2016 year of assessment onwards. All the distributions made towards the REIT should be included on this field.
- Deductions in respect of co-operatives (s27);
- Cash contributions to Rehabilitation Trust Fund / Company (s37A);

- Environmental assets deduction: treatment and recycling assets (s37B) (This field has been introduced into the return from the 2016 year of assessment onwards);
  - Environmental assets deduction : waste disposal assets (s37B) (This field has been introduced into the return from the 2016 year of assessment onwards);
  - Environmental conservation and maintenance deduction (s37C);
  - Lease payments on capitalised leased assets;
  - Allowance in respect of land conservation in respect of nature reserves or national parks (s37D). This field has been introduced into the return from the 2016 year of assessment onwards;
  - Deductions for assets acquired in exchange for shares or debt issued (s40CA);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked on the selection list.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.

### 13.2.34 CREDIT ADJUSTMENTS (INCREASE NET PROFIT/DECREASE NET LOSS):

- NON-DEDUCTIBLE AMOUNTS DEBITED TO THE INCOME STATEMENT
- Only complete the relevant currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those special allowances relevant to the company must be selected and completed:
  - Accounting interest paid/payable;
  - Accounting losses derived from foreign sources (excluding CFC): This field has been introduced into the return from the 2000 year of assessment onwards.
  - Accounting loss on disposal of fixed and or other assets;
  - Adjustments to comply with IFRS: Accounting: This field has been introduced into the return from the 2006 year of assessment onwards.
  - Adjustments to comply with IFRS: Fair value: This field has been introduced into the return from the 2006 year of assessment onwards.
  - Mineral and Petroleum Resources Royalty adjustment;
  - Amortisation of lease premiums and improvements to leasehold premises:
  - Capital expenditure and/or losses;
  - Depreciation according to financial statements;
  - Expenses attributable to exempt income – Local;
  - Expenses attributable to exempt income – Foreign;
  - Interest paid in respect of capitalised leased assets;
  - Lump sum contributions to retirement and / or benefit funds.
  - Provision for doubtful debt not deductible in current year;
  - Provisions not deductible current year (excluding doubtful debt);
  - Amounts deemed to be dividends in specie (s8F and s8FA);
  - Expenses not actually incurred in the production of income (s11(a))
  - Limitation expenditure incurred by lessor of land for farming purposes in respect of soil erosion (s17A);
  - Donations (s18A):
  - Donations – Other:
  - Deductions not allowable in determination of taxable income (s23);
  - Fruitless and Wasteful expenditure: This field has been introduced into the return from the 2019 year of assessment and to entities subject to the Public Finance Management Act 1999;
  - Amounts in respect of assets subject to a sale and leaseback arrangement (s23G);

- Prepaid expenditure not allowed under s23H: This field has been introduced into the return from the 2000 year of assessment onwards;
  - Amounts in respect of certain (tainted) intellectual property (s23I);
  - Interest non-deductible in terms of s23K: This field has been introduced into the return from the 2011 year of assessment onwards;
  - Short term insurance policy premiums not allowable (s23L): This field has been introduced into the return from the 2015 year of assessment onwards;
  - Interest not allowable in respect of debts owed to person(s) not subject to tax (s23M): This field has been introduced into the return from the 2015 year of assessment onwards;
  - Limitation of interest deduction under s23N: This field has been introduced into the return from the 2014 year of assessment onwards.
  - Foreign exchange loss adjustment (s24I) (excluding s24I(4));
  - Foreign exchange loss adjustment relating to debt (s24I(4)): This field has been introduced into the return from the 2019 year of assessment onwards;
  - Foreign currency translation adjustment (s25D);
  - Financial assistance (s31);
  - Transfer pricing adjustments (excluding thin capitalisation adjustments);
  - Expenditure attributable to the issue of shares or granting of option or rights for no consideration (s40C);
  - Capital Improvement - Farming operations (p12 of the First Schedule);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above.** This free text field must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked in the selection list.
  - **Control Total:** This currency field (15 characters) will be calculated by SARS.

### 13.2.35 ALLOWANCES/DEDUCTIONS GRANTED IN PREVIOUS YEARS OF ASSESSMENT AND NOW REVERSED

- Only complete the relevant currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those special allowances relevant to the company must be selected and completed:
  - Doubtful debt allowance – IFRS applied (s 11(j)(i)): Amount will be pre-populated with the amount reflected in “Special Allowances not claimed in Income Statement”. This field has been introduced into the return from the 2020 year of assessment onwards.
  - Doubtful debt allowance – IFRS not applied (s 11(j)(ii)): Amount will be pre-populated with the amount reflected in “Special Allowances not claimed in Income Statement”. This field has been introduced into the return from the 2020 year of assessment onwards;
  - Loss allowance i.r.o. impairments (s 11(jA));
  - Credit agreements and debtors allowance (hire-purchase) (s24);
  - Allowance for future expenditure (s24C);
  - Allowance in respect of future repairs to certain ships (s24P);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked in the selection list.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

### 13.2.36 AMOUNTS NOT CREDITED TO THE INCOME STATEMENT

- Only complete the relevant currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those special allowances relevant to the company must be selected and completed:
  - Amounts received in advance;
  - Amounts accrued but not received;
  - Closing value of consumable stock and spare parts;
  - Closing balance of stock values of work in progress - (s22(2A)): This field has been introduced into the return from the 2003 year of assessment onwards;
  - Interest accrued (s24J and s24JA);
  - Mark-to-market treatment in respect of financial assets and liabilities (s24JB) (applicable from the 2016 YOA onwards);
  - Accrual of amounts in respect of interest rate agreements (s24K);
  - Accrual of amounts in respect of option contracts (s24L);
  - Accrual of amounts in respect of assets acquired for unquantified amount (s24M);
  - Accrual of amount in respect of disposal of equity share (s24N);
  - Income deemed to be from a South African source;
  - Loans/advances granted by an insurer (par. (m) of def. of “gross income”);
  - Transfer pricing adjustment (excluding financial assistance);
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked in the selection list.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

### 13.2.37 RECOUPMENT OF ALLOWANCES / EXPENSES PREVIOUSLY GRANTED

- Only complete the relevant currency fields (15 characters) where the adjustments are applicable to the company in Rands (no cents). On eFiling and in the branch, a pop-up selection box will display from which only those special allowances relevant to the company must be selected and completed:
  - Bad debts;
  - Capital expenditure - paragraph (j) definition “gross income” s1;
  - Foreign tax credits refunded / discharged previously allowed in terms of s6quat(1C);
  - Wear and tear (s8(4));
  - Lease charges (s8(5));
  - Industrial policy project (s12I);
  - Amount recouped in respect of VCC shares sold, for which a tax deduction was allowed: This field has been introduced into the return from the 2015 year of assessment onwards.
  - Reduction of debt (s19): This field has been introduced into the return from the 2015 year of assessment onwards.
  - Other (excluding items listed above).
- **Please provide descriptions relating to ‘other’ consolidated above:** This free text field (maximum length of 150 characters) must **only be completed** if a value exceeding R0 (zero) was entered in the field “Other”. On eFiling and in the branch, this field will only display if “Other” was checked in the selection list.
- **Control Total:** This currency field (15 characters) will be calculated by SARS.

- **Amounts to be Included in the Determination of Taxable Income before s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
  - The following note has been introduced into the return from the 2015 year of assessment:
    - Allowable s18A donations and related carry-overs will be calculated by SARS.
  - The following note has been introduced into the return from the 2019 year of assessment:
    - The information relating to s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
- **Amounts to be Included in the Determination of Taxable Income before the deduction of s7F SARS interest repaid, s18A donations and s6quat(1C) foreign tax credit (Excluding assessed losses brought forward and capital gains/losses).**
  - The following note has been introduced into the return from the 2020 year of assessment onwards:
    - The information relating to s7F SARS interest repaid, s18A Donations and s6quat(1C) Foreign Tax Credits must be declared elsewhere in the return. The related deductions / carry over will be calculated by SARS.
- **Calculated profit excluding net income from CFC:** This currency field (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch. Either a calculated profit or calculated loss applies. If a calculated profit applies, the calculated loss field and associated source code is not applicable. If the net figure is R0 (zero), then this value applies to the calculated profit.
  - **Source Code:** If a calculated profit applies, this source code is compulsory for completion. Numeric field, a pop-up list will be displayed on eFiling or for non-eFilers when the SARS agent captures the return in the branch.
- **Calculated loss:** This currency field (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch. Either a calculated profit or calculated loss applies. If a calculated loss applies, the calculated profit field and associated source code is not applicable. A loss is indicated as a positive value in the calculated loss field.
  - **Source Code:** If a calculated loss applies, this field is compulsory for completion. Otherwise this field is not applicable. Numeric field, a pop-up list will be displayed on eFiling or for non-eFilers when the SARS agent captures the return in the branch. Alternatively the source code booklet is available on [www.sars.gov.za](http://www.sars.gov.za).
- **Imputed net income from CFC:** This currency field (15 characters) must be completed in Rands (No Cents).source code 4276.

### 13.2.38 TAX ALLOWANCES/LIMITATIONS

- **Did the company make any contributions to the benefit of the employees to any pension, provident or medical fund in excess of 20% of the approved remuneration (s11(l))?**
  - This field must **only be completed** if the field *Amortisation of lump sum contributed to retirement/benefit funds (s11(l))* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.

- **Was the doubtful debt allowance as referred to in s11(j) based on a fixed percentage of all debtors as at year end in respect of the current year of assessment?**
  - This field must **only be completed** if the field *Doubtful debt allowance (s11(j))* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  
- **Allowance i.r.o. impairment (s11(jA))**
  - If an amount greater than R0 was entered into the “*Allowance i.r.o. impairment (s11(jA))*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – s11(jA)*” container will be displayed for completion.
    - Complete the “IFRS Accounting provisions” fields:
    - The rates are as follows and is fixed: 25%; 40% and 85%
    - The “**Allowance**” field will be auto-calculated.
    - The total fields for “IFRS Accounting provisions” and “Allowance” will be auto-calculated.
      - This field has been introduced into the return from the 2019 year of assessment onwards.
  
- **Information with regards to Doubtful Debt Allowance Claimed – IFRS Applied: s11(j)(i)**
  - If an amount greater than R0 was entered into the “*Doubtful Debt Allowance Claimed – IFRS Applied: s11(j)(i)*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – IFRS Applied:s11(j)(i)*” container will be displayed for completion.
    - **Indicate whether a directive was issued by SARS approving a rate up to 85%**
      - Select “Yes” or “No”.
      - If “Yes”, complete the field “*Specify the approved weighted average rate*”.
        - The percentage entered will then be pre-populated in the Accounting Provisions field.
      - If “No”, only the IFRS Accounting provisions fields for rates 25% and 40% will be displayed for completion.
    - **Complete the “IFRS Accounting provisions” fields:**
    - **The 25% and 40% rates will be fixed.**
    - **The “Allowance” field will be auto-calculated.**
    - **The total fields for “IFRS Accounting provisions” and “Allowance” will be auto-calculated.**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
  
- **Information with regards to Doubtful Debt Allowance Claimed – IFRS Not Applied: s11(j)(ii)**
  - If an amount greater than R0 was entered into the “*Doubtful Debt Allowance Claimed – IFRS Not Applied: s11(j)(ii)*” field, the “*Information with regards to Doubtful Debt Allowance Claimed – IFRS Not Applied:s11(j)(ii)*” container will be displayed for completion.
    - **Indicate whether a directive was issued by SARS approving a rate up to 85%**
      - Select “Yes” or “No”.
      - If “Yes”, complete the field “*Specify the approved weighted average rate*”.
        - The percentage entered will then be pre-populated in the Accounting Provisions field.
      - If “No”, only the “Overdue debt” fields for rates 25% and 40% will be displayed for completion.
    - **Complete the “Overdue debt” fields:**



- **The 25% and 40% rates will be fixed.**
  - **The “Allowance” field will be auto-calculated.**
  - **The total fields for “Overdue debt” and “Allowance” will be auto-calculated.**
  - This field has been introduced into the return from the 2019 year of assessment onwards.
- **Did the company complete IT180’s for learnership agreements in respect of s12H? (Applicable from the 2020 year of assessment and onwards)**

This field must only be completed if the field *learnership agreements registered/in effect* (s12H) was completed in the Tax Computation: Special Allowances Not Claimed in the Income Statement. Select “Yes” or “No”.

- **Note:** A company can claim a deduction for registered learnership agreements in terms of the provisions of s12H.
    - The agreement must be registered with the relevant Sector Education Training Authority (SETA) in the prescribed manner.
    - For more information refer to the following publications on the SARS website:
      - Guide on Learnership Agreements
      - Interpretation Note: No. 20 (Issue 4) – s12H – Additional Deduction For Learnership Agreements
    - **Note:** The following relevant material must be made available on request by SARS:
      - A copy of the learnership agreement
      - Confirmation of the SETA registration,
      - The employment contract; and
      - Adequate proof that the learnership has been completed successfully or a confirmation from the SETA (if obtained within that year of assessment).
- **Did the company obtain a certificate issued by the SANEDI in respect of energy efficiency savings for the purposes of claiming a s12L deduction? Select “Yes” or “No”.**
- This field has been introduced into the return from the 2015 year of assessment onwards
  - This field must only be completed if the field ‘Energy efficiency savings deductions (s12L)’ was completed in the Tax computation: Special Allowances: Not Claimed in the Income *Statement* section.
    - Does the company confirm that the allowance claimed in respect of s12L is not related to any amount received or accrued already exempt in terms of s12K?
      - This field has been introduced into the return from the 2019 year of assessment onwards.
      - Mandatory to complete if “*Energy efficiency savings deduction (s12L)*” and “*Certified Emission Reductions Exemption (s12K)*” fields have been completed with amounts greater than R0.
- **Does the company carry on any business as a hotelkeeper (s13bis)?**
- This field must **only be completed** if the field *Hotel building deduction (s13bis)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
- **Was the allowance claimed in respect of s13ter for the erection of at least 5 residential units?**

- This field must **only be completed** if the field *Residential building deduction (s13ter)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “**Yes**” or “**No**”.
- **Does the company use a building in the production of income in respect of trade other than the provision of residential accommodation (s13quin)?**
  - This field must **only be completed** if the field *Commercial building deduction (s13quin)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “**Yes**” or “**No**”.
- **Did the company incur any insurance premiums on the lives of employees or directors?**
  - This field must be completed with a “Yes” or “No”.
  - If “Yes” is selected, the following currency field (15 characters) must be completed in Rands (No Cents):
  - **If “Yes”, state the total amount of insurance premiums incurred during the year of assessment.**
- **Did the company enter into an instalment sale agreement as referred to in s12DA to use the rolling stock as an asset to generate income?**
  - If “Yes”, complete the following question, was the rolling stock brought into use on or before 28 February 2022? Select “Yes” or “No”.
  - This will be displayed when a value more than zero was declared in the field: “Rolling stock (s12DA) and is applicable from the year 2022 onwards
- **Was the allowance claimed in terms of s12F only in relation to assets used directly in the production of income?**
  - If “Yes”, complete the following question; was the asset brought into use on or before 28 February 2022? Select “Yes” or “No”
  - This is applicable from the 2022 tax year onwards
- **Did the company obtain approval from the Department of Science and Technology as contemplated in s11D?** This field must **only be completed** if the field ‘*Research and development deduction (s11D)*’ in the Income Statement was completed. Select “**Yes**” or “**No**”. If the response to this question is “**No**”, an s11D deduction will not be allowed. This field has been introduced into the return from the 2015 year of assessment onwards.
- **Note:** s11D is amended to make provision for an exception with regards to the prescription period of 3 years for an assessment where the pre-approval of the R&D was delayed by the Dept. of Science & Technology.
- **Was the industrial policy project for which an allowance was claimed approved by the Minister of Trade and Industry (s12I)?**
  - This field must **only be completed** if the field *Industrial policy projects: Brownfield projects (s12I) or Industrial policy projects: a Greenfield project (s12I)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “**Yes**” or “**No**”.
- **Was the allowance claimed in terms of s24C in relation to contract(s)?**
  - This field must **only be completed** if the field *Allowance of future expenditure (s24C)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “**Yes**” or “**No**”.
  - This field has been introduced into the return from the 2019 year of assessment onwards.

- **Was an allowance claimed in respect of an industrial policy project in any previous years of assessment (s12I)?**
  - Select “Yes” or “No”.
  - **Did the status of the project change from “preferred” to “qualifying” during the current year of assessment? (s12I)?**
    - Select “Yes” or “No”.
  
- **Did the company receive a certificate from the venture capital company for which a deduction as claimed (s12J)? – Only applicable to years prior to 2015 year of assessment**
  - **This field must only be completed** if the field *Deduction in respect of Venture Capital Company shares (s12J)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  
- **Is the company the owner of the film as contemplated in s12O?**
  - This field must **only be completed** if the field *Exemption in respect of films (s12O)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  
- **Is the building for which an allowance is claimed used in the process of manufacturing (s13)?**
  - This field must **only be completed** if the field *Deduction for buildings used in a manufacturing process (s13)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  
- **Is the company the owner of the film as contemplated in s24F?**
  - This field must **only be completed** if the field *Film allowance (s24F)* was completed in the *Tax Computation: Special Allowances Not Claimed in the Income Statement*. Select “Yes” or “No”.
  
- **Does the company confirm that no other building allowances were claimed in respect of the same building for which the s12S allowance was claimed?**
  - This field will only be applicable from the 2017 year of assessment onwards. Select either “Yes” or “No”. This field must be completed if ‘*Deduction in respect of buildings in special economic zones (12S)*’ has a value greater than 0.
  
- **Did the company incur any interest in respect of debt(s) owed to person(s) not subject to tax as contemplated in s23M?**
  - This question has been introduced into the return from the 2016 year of assessment onwards. Select either “Yes” or “No”.
  
- A new sub question will be added **“Is the company carrying on banking, financial services or insurance business?”** If “Yes” is selected, the following question will be asked **“Is the company a “covered person” as envisaged in s24JB?”**
  - If “Yes” is selected; *“Allowance in respect of impairments (s11(jA))”* will be displayed for Small and Medium to Large Companies, in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” container.

- If “No” is selected, “Allowance in respect of impairments (s11(jA))” must not be displayed in the dropdown list for Small and Medium to Large Companies in the “Special Allowances Not Claimed in the Income Statement” container and in the “Allowances / Deductions Granted in Previous Years of Assessment and now Reversed” container. The following fields will be displayed:
      - Doubtful Debt allowance – IFRS applied (s11(j)(i))
      - Doubtful Debt allowance – IFRS not applied (s11(j)(ii))
        - This is applicable from 2019 year of assessment onwards.
- This field has been introduced into the return from the 2016 year of assessment onwards. Select either “Yes” or “No”.
- Covered person is defined in s24JB (1) as:
  - Any authorised user, as defined in s1 of the Financial Markets Act, that is a company (i.e. brokers that are members of the approved exchange)
  - The South African Reserve Bank
  - Any bank, branch, branch of a bank or controlling company as defined in s1 of the Banks Act (e.g. local banks, local branches of foreign banks, foreign branches of local banks, and controlling companies in respect of banks)
  - Any company or trust that forms part of the banking group (as defined in s1 of the Banks Act) but excluding:
    - A company that is a long- term insurer (as defined in the long-term Insurance Act)
    - A company that is a short-term insurer (as defined in s1 of the short-term Insurance Act)
    - A company of which more than 50% of the shares are directly or indirectly held by a company which is a short-term or long term insurer if that company does not form part of the same group of companies as a bank.
- **Was a certificate obtained by the company in terms of the Conversation of Agriculture Resource Act, 1983 (s17A)?** This field has been introduced into the return from the 2017 year of assessment?
  - Select “**Yes**” or “**No**”.

### 13.2.39 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS

- This section will be displayed if the representative/public officer selected “**Yes**” to the question ‘Does *the company want to claim donations made to an approved organisation in terms of s18A?*’
  - Note: if the PBO source code 4011 is less than 10 number of PBO captured on the Wizard, the fields will lock.
  - When more than 10 PBOs is captured on the Wizard, The form will auto calculates the amount, a value more than the total amount of the 10 pre-populated on the 4011 field will be displayed.
- **Solidarity Fund Donations (excl. any other Donations)**
  - Complete the ‘Total amount donated to the Solidarity Fund during 1 April 2020 to 30 September 2020’ next to source code 4055 (Applicable for the 2020 and 2021 years of assessment only)
  - Complete the “PBO number”
- **Donations (excl. Solidarity Fund Donations)**
  - Complete the ‘Total amount donated during the year of assessment’ next to source

code 4011.

- **Total amount donated during the year assessment**
  - Complete the amount in rand value donated to all approved organisations. If 10 or less organisations were donated to, this field will be auto-calculated by SARS.
- **Complete the details of the organisation(s) to whom donations were made**
  - If the answer to the question '*How many organisations did the company donate to?*' is 10 or less, complete the details (PBO number and amount donated to the organisation(s)).
- **Complete the details of the 10 organisations to whom donations with the highest monetary value were made**
  - If the answer to the question '*How many organisations did the company donate to?*' is more than ten, complete the details of the PBO number and amount donated to the organisation(s).
- **PBO number**
  - Complete the PBO number.
- **Amount donated to this organisation**
  - Complete in rand value the amount donated to the relevant organisation during the year of assessment.

#### **13.2.40 DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORGANISATIONS IN RESPECT OF A COLLECTIVE INVESTMENT SCHEME**

- This section will be displayed if the Representative/Public Officer selected "**Yes**" to the questions '*Is the company a collective investment scheme?*' and '*Does the company want to claim donations made to an approved organisation in terms of s18A.*'
- **Total amount donated during the year of assessment**
- Complete the total amount donated in rand to approved organisation(s).
- **Average value of aggregate of all participatory interests held by investors in the portfolio**
- Complete the average value of all participatory interests held by investors in the portfolio in rand value.

#### **13.2.41 INVESTMENTS IN VENTURE CAPITAL COMPANIES (VCC)**

- Government has implemented a tax incentive for investors in selected enterprises through a Venture Capital Company (VCC) regime. VCCs are intended to be a marketing vehicle to attract retail investors. An investor is any taxpayer who qualifies to invest in an approved Venture Capital Company. There are no special tax benefits for the VCC, only standard tax rules will apply.
- From 1 January 2009, investors can claim expenditure incurred in exchange for the issue of VCC shares as a deduction from income. This deduction will not be subject to recoupment if the VCC shares are held for longer than five years. Secondary trades in VCC shares will

not avail the investor of the same tax benefit.

- The list of all approved VCCs can be found on the SARS website at [www.sars.gov.za](http://www.sars.gov.za)
- Please note: Persons who intend to or who make investments in SARS approved VCCs, may not request a tax directive for purposes of s12J under p11 of the Fourth Schedule, in order to reduce his or her tax liability.
- The s12J deduction is claimed in the Tax Computation – Special Allowances not claimed in the Income Statement section of the return. If the shares for which an s12J deduction was claimed are sold within a period of 5 years, the recoupment must be declared in the Tax Computation – Recoupment of Allowances/Expenses previously granted.
- This section will be displayed if the company indicated that it made investments in VCC by selecting ‘Yes’ to the following question ‘*Did the company invest in SARS approved Venture Capital Companies in exchange for the issue of shares during this year of assessment?*’
- **Please note: Only the expense incurred in exchange for the issue of shares will entitle the investor to the tax benefit. Where that original investor sells these shares to another person the tax benefit will NOT apply.**
- Complete the amount invested in a Venture Capital Company before 21 July 2019 in exchange for the issue of shares during the year of assessment
  - Applicable from the 2019 year of assessment onwards
- Complete the amount invested in a Venture Capital Company on or after 21 July 2019 in exchange for the issue of shares during the year of assessment
  - Applicable from the 2019 year of assessment onwards
- Note that this section will be repeated in line with your answer to the question ‘*Specify the number of investments made in SARS approved Venture Capital Companies*’.
- Where your answer to the question ‘*Specify the number of investments made in SARS approved Venture Capital Companies*’ is greater than 10, complete only the top 10 investments made on the return.
- **Name of SARS approved VCC**
  - Complete the name of the SARS approved VCC
- **VCC number**
  - Complete the VCC number
- **Date of issue of VCC shares (CCYYMMDD)**
  - Complete the date of issue of the VCC shares.
- **Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment**

Complete the amount in rand value invested in the VCC in exchange for the issue of shares during the year of assessment.

#### 13.2.42 CORPORATE RULES

- Select “**Yes**” or “**No**” to the following questions:
- **Was the company a party to any of the following transactions during the year of assessment:**
  - Asset-for-share transactions as defined in s42?
  - Substitutive share-for-share transactions as defined in s43?
  - Amalgamation transaction as defined in s44?
  - Intra-group transaction as defined in s45?
  - Unbundling transaction as defined in s46?
  - Liquidation, winding-up or deregistration distribution as defined in s47?

**13.2.43 DEDUCTION (I.T.O. s7F) OF INTEREST REPAID TO SARS THAT WAS PREVIOUSLY TAXED I.T.O. s7E**

- S7E was introduced to the IT Act and specified SARS interest (payable i.t.o. a tax Act) needs to be declared in the year that SARS paid the interest (and not when it accrued). SARS interest that is paid back subsequently can be claimed as a deduction in that year of assessment in terms of s7F (limited to the amount of SARS Interest declared in terms of s7E).
- This provision applies from the 2019 year of assessment onwards.
- This section will be displayed if the Representative/Public Officer selected “**Yes**” to the question ‘*Does the company want to claim a deduction i.t.o. s7F i.r.o. SARS interest repaid that was previously taxed i.t.o. s7E?*.’
- Complete the field “**Amount of SARS interest repaid that was previously taxed i.t.o.s7E**”
  - **Source code 4052**

**13.2.44 DEDUCTION I.T.O. s6quat(1C) FOR FOREIGN TAXES PAID OR PROVED TO BE PAYABLE TO A FOREIGN GOVERNMENT OF ANY COUNTRY ON ANY SA SOURCED TRADE INCOME**

- If “**Yes**” is selected to this question “*Will the company be claiming a deduction on SA sourced trading income i.t.o. s6quat(1C)?*” this section of the return will only display with the following questions:
  - **Deduction i.t.o. s6quat(1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sources trade income**
    - This field has been introduced into the return from the 2019 year of assessment onwards
    - Complete the relevant amount.
    - Source code 4053
  - **Did the company have a right of recovery other than a right of recovery i.t.o. mutual agreement procedure, or any entitlement to carry back losses arising during any previous year of assessment?**
    - Select “**Yes**” or “**No**”.
  - **Was the foreign tax amount refunded to the company during this year of assessment? Select “Yes” or “No”**
  - **Taxable income from SA sourced trade income taxed outside SA (before taking into account any allowable deductions i.t.o. s18A and s6quat(1C), as these deductions will be calculated by SARS)**
    - **Note:** This income must have been declared elsewhere in this return.

- Complete the amount.
- This field has been introduced into the return from the 2019 year of assessment onwards.

### 13.2.45 LOCAL OR FOREIGN CAPITAL GAINS/LOSSES

- **Determining a capital gain or a capital loss**
- The Proceeds (selling price of the asset - Part VI of the Eighth Schedule) and the Base Cost (which includes the acquisition cost, improvement cost and direct cost in respect of the acquisition and disposal of the asset - Part V of the Eighth Schedule) must be completed to calculate the capital gain or loss.
- **Schedule of local / foreign capital gains and losses in respect of disposable assets (including crypto assets)**
  - The “Schedule of Local/ Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)” will only display on the return if the answer to the question “**Did the company have any transactions or events which resulted in a locally/foreign sourced capital gain or loss (including crypto assets)?**” in the “*Information to create this income tax return*” is “**Yes**”.
- **Note:** At least one row in this schedule must be completed. If one of the fields in a row is completed with a value, then all the fields in that specific row must be completed.
- The following currency fields must be completed in Rands (No Cents):
  - Proceeds;
  - Base Cost;
  - Exclusion/Roll-over;
  - Local / foreign Capital Gain/Loss.
- **Number of Transactions:** Numeric field, complete the number of transactions.
- **Main Asset Type Source Code:** Refer to Annexure E - Local Assets to complete this numeric field. A source code ending in an even number represents a capital gain and a source code ending in an uneven number represents a capital loss.
- A person's capital loss determined in respect of the disposal of an asset to a connected person is treated as a ‘*clogged*’ loss. In other words, the capital loss is ring-fenced and may be set off only against capital gains arising from disposals to the same connected person. Whether a capital loss will be ring-fenced will depend on the relationship between the parties at the relevant point in time.
- A person must disregard any capital loss determined in respect of the disposal of an asset to a connected person. Capital losses of this nature are ‘clogged’ (ring-fenced). One of the reasons for determining the relationship immediately after the disposal is that in some cases the relationship is established only after the transaction. This situation typically occurs, for example, in an asset-for-share swap under which one person disposes of an asset to a company in exchange for shares in that company.
- **Add: Clogged losses included in amounts listed above to be carried forward (p39 of the Eight Schedule):**
  - This field has been introduced into the return and is mandatory from the 2014 years of assessment onwards. For prior years it is optional. If this field is not applicable to the company, complete the field with R0 (zero rand). This currency field must be



completed with the relevant amount. Note that clogged losses are not assessed losses carried forward by the SARS system.

- **Less: Prior year clogged losses brought forward and deductible from capital gains listed above derived from same connected person (p39 of the Eighth Schedule)**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards. If this field is not applicable to the company, complete the field with R0 (zero rand).
- Note that a clogged loss brought forward from a previous year may be set off only against capital gains arising in the current year with the same connected person. In addition, the clogged loss must be limited to the amount of such capital gains. If the clogged loss exceeds the gain the excess must be carried forward.
- **Less: Claw back of the portion of capital gains in terms of the provisions of s45(5).**
  - This field has been introduced into the return and is mandatory from the 2016 year of assessment onwards. Source code for local (4256) and for foreign (4252).
- **Claw back definition:**
  - Where a transferee company disposes of an asset within 18 months after acquiring the asset in terms of an intra-group transaction; and
    - The asset constitutes a capital asset, so much of the capital gain determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at the time, may not be taken into account in determining the net capital gain or assessed capital loss of the company. This amount, multiplied by the inclusion rate as contemplated in p10 of the Eighth Schedule, is a taxable capital gain that must be taken into account and may not be set off against any assessed loss or balance of assessed loss of the company (s45(5)(a)(i)).
    - The asset constitutes a capital asset, so much of the capital loss determined in respect of the disposal of the asset that does not exceed the amount that would have been determined had the asset been disposed of at the beginning of the 18 months at its market value at that time, must be disregarded in determining the aggregate capital gain or loss of the transferee company. The amount of the capital loss so disregarded may be deducted from any capital gain determined in respect of the disposal of any other asset acquired by the transferee company from the transferor company in terms of an intra-group transaction (s45(5)(a)(ii)).
- **Aggregate Gain:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an aggregate gain or aggregate loss applies. If an aggregate gain applies, the aggregate loss field is not applicable. If the net figure is R0 (zero), then this value applies to the aggregate gain field. Source code for local (4250) and for foreign (4252).
- **Aggregate Loss:**
  - This currency field will be calculated by SARS by subtracting all capital losses (Capital gain/loss with asset source code ending in an uneven number) from capital gains (Capital gain/loss with asset source code ending in an even number). Either an

aggregate gain or aggregate loss applies. If an aggregate loss applies, the aggregate gain field is not applicable. Source code for local (4251) and for foreign (4253).

- **Note:** In the “*Schedule of Foreign Capital Gains and Losses in respect of the disposal of assets (including crypto assets)*”, this field will be displayed:
  - **Foreign tax credit in respect of Capital Gains (Rand value only):** This currency field (15 characters) must only be completed if a value exceeding R0 (zero) was calculated in the field Aggregate Gain or Aggregate Loss. Source code 4114.

#### 13.2.46 REDUCTION OF LOCAL ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will be displayed if “**Yes**” was selected on the return to the question ‘*Was the reduction for a foreign asset?*’
- **Amount of debt reduction**
  - If an amount is entered into field next to code 4255, the Local Assessed Capital Loss Carry Over amount on ITS will programmatically be reduced with the amount entered and limited to the amount available for Local Assessed Capital Loss Carry Over.

#### 13.2.47 PAYE CREDITS (EXCLUDING PROVISIONAL TAX)

- This section of the return will only display if the question “**Will the company be claiming any PAYE credits reflected on an IRP5 tax certificate?**” in the “*Information to create this income tax return*” is “**Yes**”
- **Note:**
  - The PAYE credits available section will be repeated according to the numeric value completed in the question “Specify the number of IRP5 certificates” field on the “*Information to create this income tax return*” page.
- The following fields must be completed for each “*PAYE Credits Available*” section:
  - **IRP5 certificate number:** This field is prepopulated from 2015 Year of Assessment (YOA) onwards
  - **PAYE Credit:** Enter the PAYE credit amount. This field has been introduced into the return from the 2015 Year of Assessment (YOA onwards), Source code 4102.

#### 13.2.48 FOREIGN TAX CREDITS: TAXABLE FOREIGN SOURCED INCOME OF RESIDENT COMPANIES – S6QUAT(1A) (EXCLUSION OF FOREIGN CAPITAL GAIN/LOSS)

- This section of the return will only display if the answer to the question “**Will the company be claiming any Foreign Tax credits not relating to Capital Gain transactions in terms of s6quat and/or a treaty?**” in the “*Information to create this income tax return*” is “**Yes**”
- During the assessment process the information in this section is used when calculating the allowable amount in foreign tax credits in terms of *s6quat*.

#### Relief from double taxation

- A South African resident is subject to normal tax on income derived worldwide (i.e. income derived from sources within and outside of the Republic of South Africa). However, any income which is derived by a resident from a foreign source may have been or may be subjected to tax in a foreign country, resulting in double taxation on this amount. *S6quat* grants relief from any potential double taxation, in that any foreign taxes payable in respect

of income derived from a source outside South Africa and which is included in the taxable income of a resident, may (subject to certain conditions) be allowed as a rebate against normal income tax payable in South Africa by the resident.

### Conditions governing the granting of a rebate

- The sum of foreign taxes payable may qualify for a rebate against the normal income tax payable by a resident if the following conditions are met:
  - The taxes must be taxes payable on income;
- **Note:** Capital gains are included in taxable income (s26A) and the tax payable thereon is regarded as a tax on income.
  - The taxes have to be imposed in terms of the laws of a foreign country, whether it be at national, state, local or other level of government;
  - The taxes should be proved to be payable, i.e. a legal obligation to pay must exist;
  - The taxes must be payable without any right of recovery by any person (other than a right of recovery in terms of an entitlement to carry back losses arising during any year of assessment to a prior year of assessment); and
  - The taxes ought to be payable in respect of amounts included in that resident's taxable income.

### Qualifying amounts of income derived from foreign sources

- In order to qualify for a rebate in terms of s6quat, the foreign taxes must be payable in respect of any of the following items of income, provided it was included in the resident's taxable income:
  - Any income received by or accrued to a resident, excluding foreign dividends), from an actual (real) source outside the Republic, which is not deemed to be from a source within the Republic (s6quat(1)(a)(i))
  - Any portion of the net income of a controlled foreign company (CFC) as contemplated in s9D which is attributed to a resident that holds participation rights in that CFC under s9D(2) (s6quat(1)(b))
  - Any foreign dividends (s6quat(1)(d))
  - Any taxable capital gain as contemplated in s26A.
  - Any amount dealt with above which is received by or accrued to a particular person, for example, a trust, but which is deemed to be derived by another person (the resident) (s6quat(1)(f)(i) and (ii))
  - Any amount dealt with above which forms part of the capital of a trust established in a foreign country, which is regarded as being derived by a resident for either income tax or capital gains tax purposes (s6quat(1)(f)(iii)).

### Limitation on the amount of the rebate

- The amount of foreign taxes which qualify for the s6quat rebate is limited to a *pro rata* amount calculated in accordance with the following formula:

<i>Taxable income derived from all foreign sources (A)</i>	×	<i>Normal tax payable on (B)</i>
<i>Taxable income derived from all sources (B)</i>		

### The carry forward of an excess amount of foreign tax credits

- Where the sum of foreign taxes payable exceeds the amount of the rebate, the excess amount may be carried forward to the immediately succeeding year of assessment. This excess amount will be ranked as a foreign tax credit available for set off against the normal

tax payable in that year of assessment, in respect of foreign taxable income after the qualifying foreign taxes for that year have been taken into account.

### Instances where no rebate is granted

- No foreign tax relief will be granted where the foreign taxes do not qualify for the rebate, for example if the actual source of the amount is located in South Africa. In such instances the amount may qualify as a deduction in terms of s6quat(1C) in determining taxable income for a particular year of assessment. The foreign taxes must have been incurred in respect of the resident's trading operations and must be proved to be payable without a right of recovery. A resident may not elect to claim the foreign taxes either as a rebate or alternatively as a deduction. Only those foreign taxes that do not qualify for a rebate may be considered as a deduction.
- If a resident elects for the relief provided in a double taxation agreement which does not refer to the s6quat method of relief, none of the provisions of s6quat will apply. It should be noted that the carry forward of excess tax credits is only allowed in terms of the s6quat method of relief. None of South Africa's double taxation agreements provide for the carry forward of excess tax credits.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Net losses:** This currency field (15 characters) must be completed in Rands (No Cents) for **Foreign income**.
- The following currency fields (15 characters) for **Foreign income** (Source Code 7454) and **Imputed net income CFC(Source Code 7455)** must be completed in Rands (No Cents):
  - **Taxable Income.**
  - **Foreign Tax Credits.**
- **Foreign Tax Credits:** This currency field (15 characters) will automatically be calculated on eFiling or for non-eFilers when the SARS agent captures the return in the branch as the sum of Foreign Tax Credits.
- **How much of the above Foreign tax credit is being claimed in terms of a treaty?**
  - This field is applicable from year of assessment 2015 onwards.

### 13.2.49 FOREIGN TAX CREDITS REFUNDED/DISCHARGED

- This container has been introduced into the return from the 2017 year of assessment onwards.
- This section will display if "Yes" was selected to "*Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate was allowed during a previous year of assessment?*"
- Complete the amount refunded /discharged by the foreign tax authority under "*Specify the portion of the amount so refunded/discharged as was previously allowed by SARS as a rebate*" field.
- '*Specify the portion of the amount so refunded/discharged as was previously allowed by SARS as a deduction in terms of s6quat (1C)*'.
  - This field has been introduced into the return from the 2017 year of assessment onwards

- Insert the amount as specified
- Source code 4249.

### 13.2.50 PARTNERSHIP/JOINT VENTURES

- This section of the return will only display if the answer to the question “**Is the company a partner in a partnership?**” in the “*Information to create this income tax return*” is “**Yes**”.
- **Note:**
- The Partnerships section will repeat according to the numeric value entered in the question “How many partnerships” on the “Information to create this income tax return” page.
- If five Partnerships sections were created, it is mandatory that all five must be completed. If incorrectly created, refer back to the “Information to create this income tax return” to rectify.
- The following fields must be completed for each *Partnerships* section
  - **Partnership Name:** Free text field (maximum length is 53 characters)
  - **Specify the company’s profit/loss sharing % during the year of assessment**  
Numeric field – complete the percentage
  - **Indicate if the company derived a profit loss from this partnership during the year of assessment:** Select “Profit” or “Loss”
  - **Indicate if this information is in respect of a local or a foreign partnership:** Select “Local” or “Foreign”.

### 13.2.51 CALCULATION OF THE QUALIFYING s12H LEARNERSHIP ALLOWANCE FOR THIS YEAR OF ASSESSMENT IN RESPECT OF AGREEMENTS ENTERED INTO ON OR AFTER 1 OCTOBER 2016

- The proposed learnership tax incentive also introduced the following deduction amounts per registered learnership contract based on the level descriptors as specified in the National Qualifications Framework Act, 2008:
  - Persons without disability:      NQF 1- 6      = R40 000
  - Persons without disability:      NQF 7 – 10 = R20 000
  - Persons with disability:          NQF 1- 6      = R60 000
  - Persons with disability:          NQF 7- 10    = R50 000
- This section of the return will only display when the following question “**Did the company complete IT180’s for learnership agreements in respect of s12H? Yes is selected;**”
- **Learnership agreements registered/in effect:**
  - Learners without a disability:
    - Learnership agreements registered / in effect NQF Levels 1 - 6
    - Learnership agreements registered / in effect NQF Levels 7 – 10
  - Learners with a disability:
    - Learnership agreements registered / in effect NQF Levels 1 – 6;
    - Learnership agreements registered / in effect NQF Levels 7 – 10;
- **Registered Learnership agreements completed in current year of assessment:**
  - Learners without a disability:
    - Registered learnership agreements completed in current year NQF Levels 1 – 6;
    - Registered learnership agreements completed in current year NQF Levels 7 – 10;

- Learners with a disability:
  - Registered learnership agreements completed in current year NQF Levels 1 – 6;
  - Registered learnership agreements completed in current year NQF Levels 7 – 10;

### 13.2.52 TRANSFER PRICING: RECEIVED/RECEIVABLE

- This section of the return will only display if the question “**Referring to legislation applicable to years of assessment commencing on or after 1 April 2012 (refer to guide for years of assessment prior to 1 April 2012), did the company enter into an affected transaction, as set out in s31(1) “affected transaction” (a), where the company: Received/earned foreign income?”** in the “*Information to create this income tax return*” is “**Yes**”
- **Note:** Transfer pricing happens whenever two related companies – that is, a parent company and a subsidiary, or two subsidiaries controlled by a common parent – trade with each other, as when a US-based subsidiary of Company X, for example, buys something from a South African-based subsidiary of Company X. When the parties establish a price for the transaction, they are engaging in transfer pricing.
- If two unrelated companies trade with each other, a market price for the transaction will generally result. This is known as “arms-length” trading, because it is the product of genuine negotiation in a market. This arm’s length price is usually considered to be acceptable for tax purposes.
- For years of assessment commencing before 1 April 2012, the data to be provided in the Transfer pricing Received and Receivable section of the return is for direct transactions between persons (as described in s31(2)(a) and (b) of the “old s31”). Reference to the words ‘operation, scheme, agreement or understanding directly or indirectly entered into’ should be ignored.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- **Note:** Where one field in a line (row) is completed, all columns fields in that row must be completed
- The following currency fields (15 characters) must be completed in Rands (No Cents) for each column:
  - Sale of goods;
  - Commission received / receivable;
  - Interest received / receivable;
  - Royalties or license fees received / receivable;
  - Admin, Management, secretarial fees, rentals received / receivable;
  - Guarantee fees received/receivables;
  - Insurance premiums received / receivable;
  - Other finance charges received / receivable;
  - Research & Development fees received / receivable;
  - Other income received / receivable.
- The columns are subdivided into the following categories:
  - Foreign Connected:
    - Total Aggregate Value – Complete the aggregate value for the relevant transaction.
    - No of Jurisdictions - Indicate the number of jurisdictions (enter a number between 0 and 999) for each of the currency fields mentioned above. This field

must be completed with a zero (0) if the Total Aggregate Value for the relevant transaction is R0. If the number of jurisdictions captured is between 1 and 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated based on the number of jurisdictions indicated. If the value captured is greater than 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated a maximum of 5 times and the top 5 jurisdictions with the highest transaction value must be completed.

- Top 5 Jurisdictions (Country Code) – capture the relevant country codes as reflected in Appendix F (limited to the top 5 jurisdictions).
  - Transaction Value: Foreign connected per country – capture the relevant transaction value per country code (limited to the top 5 jurisdictions).
- Foreign: Non- Connected:
  - Total Aggregate Value – Complete the aggregate value for the relevant transaction.
  - No of Jurisdictions - Indicate the number of jurisdictions (enter a number between 0 and 999) for each of the currency fields mentioned above. This field must be completed with a zero (0) if the Total Aggregate Value for the relevant transaction is R0. If the number of jurisdictions captured is between 1 and 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated based on the number of jurisdictions indicated. If the value captured is greater than 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated a maximum of 5 times and the top 5 jurisdictions with the highest transaction value must be completed.
    - Top 5 Jurisdictions (Country Code) – capture the relevant country codes as reflected in Appendix F (limited to the top 5 jurisdictions). Disclosure of the transaction value per country is not required for Foreign: Non-Connected.

### 13.2.53 TRANSFER PRICING: PAID/PAYABLE

- This section of the return will only display if the question “**Referring to legislation applicable to years of assessment commencing on or after 1 April 2012 (refer to guide for years of assessment prior to 1 April 2012), did the company enter into an affected transaction, as set out in s31(1) “affected transaction” (a), where the company: Incurred expenditure?”** in the “*Information to create this income tax return*” is “**Yes**”.
- All fields listed in this section are compulsory for completion. If a specific field is not applicable to the company, a zero (0) must be completed for the field.
- For years of assessment commencing before 1 April 2012, the data to be provided in the Transfer Pricing Paid and Payable section of the return is for direct transactions between persons (as described in s31(2)(a) and (b) of the “old s31”). However, interest paid/ payable includes indirect financial transactions such as back to back arrangements. Reference to the words ‘operation, scheme, agreement or understanding directly or indirectly entered into’ should be ignored. Please refer to s31(3) of the “old s31” read together with Practice Note 2 of 14 May 1996 for further guidance relating to the calculation of the financial assistance to fixed capital ratio for years of assessment commencing prior to 1 April 2012.
- Note: Where one field in a line (row) is completed, all columns fields in that row must be completed
- The following currency fields (15 characters) must be completed in Rands (No Cents) for each column:
  - Purchase of goods;

- Commission payable;
  - Interest paid / payable;
  - Royalties or license fees paid / payable;
  - Admin, Management, secretarial fees, rentals paid / payable;
  - Guarantee fees paid / payable;
  - Insurance premiums paid / payable;
  - Other finance charges paid / payable;
  - Research & Development fees paid / payable;
  - Other expenses paid / payable.
  
- The columns are subdivided into the following categories:
  - Foreign Connected:
    - Total Aggregate Value – Complete the aggregate value for the relevant transaction.
    - No of Jurisdictions - Indicate the number of jurisdictions (enter a number between 0 and 999) for each of the currency fields mentioned above. This field must be completed with a zero (0) if the Total Aggregate Value for the relevant transaction is R0. If the number of jurisdictions captured is between 1 and 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated based on the number of jurisdictions indicated. If the value captured is greater than 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated a maximum of 5 times and the top 5 jurisdictions with the highest transaction value must be completed.
    - Top 5 Jurisdictions (Country Code) – capture the relevant country codes as reflected in Appendix F (limited to the top 5 jurisdictions).
      - Transaction Value: Foreign connected per country – capture the relevant transaction value per country code (limited to the top 5 jurisdictions).
  
  - Foreign: Non-Connected:
    - Total Aggregate Value – Complete the aggregate value for the relevant transaction.
    - No of Jurisdictions - Indicate the number of jurisdictions (enter a number between 0 and 999) for each of the currency fields mentioned above. This field must be completed with a zero (0) if the Total Aggregate Value for the relevant transaction is R0. If the number of jurisdictions captured is between 1 and 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated based on the number of jurisdictions indicated. If the value captured is greater than 5, the fields 'Top 5 Jurisdictions (Country Code)' and 'Transaction Value – Foreign Connected per country' will be repeated a maximum of 5 times and the top 5 jurisdictions with the highest transaction value must be completed.
      - Top 5 Jurisdictions (Country Code) – capture the relevant country codes as reflected in Appendix F (limited to the top 5 jurisdictions). Disclosure of the transaction value per country is not required for Foreign: Non-Connected.
  
- The following three fields are decimal fields that must be completed:
  - **Specify the financial assistance to fixed capital ratio:**
    - Mandatory field if a value of greater than zero rand was entered in the "Financial assistance (s31) field in the Tax Computation container.
    - This question is only relevant if financial assistance was received by the company. If the year of assessment commenced prior to 1 April 2012, only complete if the company received financial assistance from a non-resident



- connected person or from an investor as defined in s31(3), or else complete with a zero (0).
  - This is the debt to equity ratio for years of assessment commencing on or after 1 April 2012 and should be calculated as follows:
  - The debt is the debt determined in terms of International Financial Reporting Standards (“IFRS”) during the year of assessment. Debt for purposes of arm’s length testing will therefore include, for example straightforward loans, advances and debts and items that are economically equivalent to debt such as finance leases, certain structured derivative financial instruments and components of hybrid instruments.
  - The equity amount to be used for the purposes of this calculation is all items that are treated as equity in terms of IFRS.
- **Specify the debt in relation to EBITDA (earnings, before interest, taxes, depreciation, and amortisation) ratio:**
- This field must only be completed if the value of the field “Interest paid/payable” exceeds R0 (zero).
  - This question is only relevant for years of assessment commencing on or after 1 April 2012. For years of assessment commencing prior to 1 April 2012, complete with a zero (0).
  - The debt to EBITDA (earnings before interest, taxes, depreciation and amortisation) ratio should be calculated as follows:
  - The ratio to be calculated should be read as follows: Debt to EBITDA and the reference to the words ‘interest paid’ should be ignored.
  - In determining the nature of debt the principles and treatment which would be adopted in financial statements prepared in terms of IFRS should be used. Debt for purposes of arm’s length testing will therefore include, for example, straightforward loans, advances and debts and items that are economically equivalent to debt such as finance leases, certain structured derivative financial instruments and components of hybrid instruments.
  - EBITDA should be determined in accordance with the principles and basis of recognition of its component parts as would be adopted in financial statements prepared in terms of IFRS.
- **Specify the EBITDA (earnings, before interest, taxes, depreciation, and amortisation) to finance cost ratio:**
- This field must **only be completed** if the value of the field “Interest paid/payable” exceeds R0 (zero).
  - This question is only relevant for years of assessment commencing on or after 1 April 2012. For years of assessment commencing prior to 1 April 2012, complete with a zero (0).
- This ratio should be calculated as follows:
- EBITDA should be determined in accordance with the principles and basis of recognition of its component parts as would be adopted in financial statements prepared in terms of IFRS.
  - The ‘interest paid’ must include interest, dividends and other charges paid and accrued on all items treated as debt in terms of IFRS. Items that are economically equivalent to debt such as finance leases, certain structured derivative financial instruments and components of hybrid instruments should also be taken into account.
  - The “interest” component, for purposes of ‘interest paid’ should be computed on a gross basis (excluding interest received and equivalent items in terms of IFRS).
  - This ratio should only be completed if the value of the field exceeds R0 (zero).
- **Specify the debt in relation to total tangible assets ratio:** This field has been introduced into the return from the 2015 year of assessment onwards.

### 13.2.54 TRANSFER PRICING SUPPORTING INFORMATION

- In the ***“Information to create this income tax return”*** if **“Yes”** is selected to this question **“Did the company enter into an affected transaction as defined in s31 where the company: Received/earned foreign income?”** This section of the return will only display.
- Does the company have transfer pricing documentation that supports the pricing policy applied to each transaction between the company and the foreign connected person / associated enterprise during the year of assessment as being at arm’s length?
  - Select **“Yes”** or **“No”**.
- Was there any change between the company and a non-resident connected person / associated enterprise since the previous reporting period with respect to the transfer pricing methodologies/transaction, operation, scheme, agreement or understanding classification? This field has been introduced into the return from the 2015 year of assessment onwards.
- Did the company conduct any outbound transaction, operation, scheme, agreement for no consideration with a connected person / associated enterprise that is tax resident outside South Africa?
- Did the company transact with a connected person / associated enterprise that is a tax resident in a country jurisdiction that has a corporate tax rate that is less than 18% or is a tax haven?
- Did the company transact with a connected person / associated enterprise that is tax resident in a country with which South Africa does not have a tax treaty? This field has been introduced into the return from the 2015 year of assessment onwards.
- Did the company transact with a connected person / associated enterprise that is tax resident in a country with which South Africa does not have a tax haven/low tax jurisdiction?
  - **Please note** that for the purposes of answering the question the term ‘tax haven/low tax jurisdiction’ means: any jurisdiction with an effective corporate tax rate that is less than 75% of South Africa’s statutory corporate tax rate.
- Did the company make a year-end adjustment to achieve a guaranteed profit margin?
  - **Please note** that this question must be answered **“YES”** if:
  - A year end adjustment was made to achieve a guaranteed profit margin either for the company itself OR for a foreign connected person.
- Is the **“tested party”**, of any transaction operation, scheme, agreement or understanding, a tax resident outside South Africa? Select **“Yes”** or **“No”**,
  - If **“Yes”** is selected the following question will be displayed for completion *‘How many tested party/parties of the transaction operation, scheme, agreement or understanding are resident outside South Africa?’* - **This field has been introduced into the return from the 2015 year of assessment onwards.**
- How many tested party/parties of the transaction operation, scheme, agreement or understanding are resident outside South Africa?
  - Indicate the number of tested party/parties (enter a number between 1 and 99) of the transaction, operation, scheme, agreement or understanding that are resident outside

of South Africa. **This field has been introduced into the return from the 2015 year of assessment onwards.**

### 13.2.55 MINING AND QUARRYING

- **Note:** Complete the applicable mining schedules (Schedules A and B) and submit as a supporting document with this return.
- This section of the return will only display if the main industry code starts with 05, 06, 07, 08 or 09 in the *“Information to create this income tax return”*.
- Select **“Yes”** or **“No”** for the following questions:
  - **Did the company conduct mining operations in more than one separate and distinct mine?**
  - **Did the company acquire a mining operation as a going concern during the year of assessment?**
  - **Did the company acquire/dispose of mining property and equipment as envisaged in s37?**
  - **Specify the % of the company’s total turnover that relates to the buy-in of minerals.**
  - **Did the company conduct prospecting outside South Africa?**
  - **Did the company conduct mining/mining operations where the company is not the legal owner of the mining right?**
- A company that conducted mining activities must complete the GEN-001 mining schedule available on [www.sars.gov.za](http://www.sars.gov.za). The completed GEN-001 must be attached as a relevant material to the ITR14.

### 13.2.56 CONSTRUCTION

- In the *“Information to create this income tax return”*. This section of the return will only display if the main industry code starts with 41, 42 or 43”
- Select **“Yes”** or **“No”** for the following questions:
  - **Did the company have any creditor’s retentions with sub-contractors of services?**
  - **Did the company incur any losses on contract work in progress which is required to be declared as into trading stock in terms of s22(3A)?**

### 13.2.57 WHOLESALE AND RETAIL TRADE

- In the *“Information to create this income tax return”*. This section of the return will only display if the main industry code starts with 45, 46 or 47”
- **Did the company enter into an agreement to disclose the debtor’s book to a 3<sup>rd</sup> party?**  
Select **“Yes”** or **“No”**

### 13.2.58 FINANCIAL AND INSURANCE ACTIVITIES

- **Note:** If the company is a short term insurer, complete the applicable **ICS01 - Schedule for Insurance Companies** and submit as a supporting document with this return.
- In the *“Information to create this income tax return”*. This section of the return will only display if the main industry code starts with 64, 65 or 66”
- Select **“Yes”** or **“No”** for the following questions:

- **If the company is a bank, has the company claimed a doubtful debt provision in excess of the amount agreed upon with SARS?**
  - **Has the company made a capital contribution or advanced a loan to any trust?**
  - **Where the taxpayer has claimed a deduction for any provision related to claims intimated but not reported or to outstanding claims, does such provision factor in an amount related to ex gratia payments?**
- **Note:** A company that conducted short term insurance activities must complete the ICS01 - short term insurance schedule available on [www.sars.gov.za](http://www.sars.gov.za). The completed ICS01 and all relevant material requested in the ICS01 must be attached as relevant material to the ITR14.

## 14 ANNEXURE E – MAIN ASSET TYPE SOURCE CODE FOR CAPITAL GAINS TAX

- Local assets are used only for the Local Capital Gains Tax Schedule and foreign assets are used only for the Foreign Capital Gains Tax Schedule, including crypto assets.

Description of assets	Local assets	Foreign assets
Local CGT Profit : Long term Insurers (IPF)	4260	
Local CGT LOSS: Long term Insurers (IPF)	4261	
Foreign CGT Profit: Long term Insurers (IPF)		4268
Foreign CGT Loss: Long term Insurers (IPF)		4269
Local CGT Profit: Long term Insurers (UPF)	4262	
Local CGT Loss: Long term Insurers (UPF)	4263	
Foreign CGT Profit: Long term Insurers (UPF)		4270
Foreign CGT Loss: Long term Insurers (UPF)		4271
Local CGT Profit: Long term Insurers (CPF)	4264	
Local CGT LOSS: Long term Insurers (CPF)	4265	
Foreign CGT Profit: Long term Insurers (CPF)		4272
Foreign CGT Loss: Long term Insurers (CPF)		4273
Local CGT Profit : Long term Insurers (CF)	4266	
Local CGT LOSS: Long term Insurers (CF)	4267	
Foreign CGT Profit: Long term Insurers (CF)		4274
Foreign CGT Loss: Long term Insurers (CF)		4275
Local CGT Profit: Long term Insurers (RPF)	4294	
Local CGT LOSS: Long term Insurers (RPF)	4295	
Foreign CGT Profit: Long term Insurers (RPF)		4296
Foreign CGT Loss: Long term Insurers (RPF)		4297
GAIN: Immovable assets (e.g. land, buildings, mining and mineral rights)	6502	6530
LOSS: Immovable assets (e.g. land, buildings, mining and mineral rights)	6503	6531
GAIN: Primary residence (e.g. house, townhouse, flat, boathouse, caravan)	6504	6532
LOSS: Primary residence (e.g. house, townhouse, flat, boathouse, caravan)	6505	6533
GAIN: Financial instruments – Listed, including assets of which prices are regularly published in newspaper (e.g. shares, a participatory interest in a portfolio of a collective investment scheme, gold and platinum coins of which value is mainly derived from their metal content , bonds, futures, options-excluding Crypto Asset(s))	6506	6534
LOSS: Financial instruments – Listed, including assets of which prices are regularly published in newspaper (e.g. shares, a participatory interest in a portfolio of a collective investment scheme, gold and platinum coins of which value is mainly derived from their metal content , bonds, futures, options-excluding Crypto Asset(s))	6507	6535
GAIN: Financial instruments – Unlisted (e.g. shares, debentures, promissory notes, bonds, options, forward contracts, swaps, debt - excluding Crypto Assets(s))	6508	6536
LOSS: Financial instruments – Unlisted (e.g. shares, debentures, promissory notes, bonds, options, forward contracts, swaps, debt - excluding Crypto Asset(s))	6509	6537
GAIN: Intangible assets (e.g. goodwill, trademarks, copyrights, franchises, licences)	6510	6538
LOSS: Intangible assets (e.g. goodwill, trademarks, copyrights, franchises, licences)	6511	6539

Description of assets	Local assets	Foreign assets
GAIN: Plant and machinery	6514	6540
LOSS: Plant and machinery	6515	6541
GAIN: Other movable property used mainly for trade purposes (e.g. aircraft, boats, motor vehicles, office furniture and equipment)	6516	6542
LOSS: Other movable property used mainly for trade purposes (e.g. aircraft, boats, motor vehicles, office furniture and equipment)	6517	6543
GAIN: Other movable property not used mainly for trade purposes other than personal-use assets (e.g. Boats > 10 metres and personal use aircraft > 450 kg, fiduciary, usufructuary or similar interests, leases of immovable property, time-sharing interests)	6518	6544
LOSS: Other movable property not used mainly for trade purposes other than personal-use assets (e.g. Boats > 10 metres and personal use aircraft > 450 kg, fiduciary, usufructuary or similar interests, leases of immovable property, time-sharing interests)	6519	6545
GAIN: Financial instruments (Crypto assets)	6520	6546
LOSS: Financial instruments (Crypto assets)	6521	6547

## 15 APPENDIX B: TRADING SOURCE CODE

- The following trading source codes must be used when declaring Profit / Loss from trading activities i.r.o. Crypto assets trading

Description of assets	Profit	Loss
Crypto assets	2572	2573

## 16 APPENDIX C: SOLIDARITY FUND DONATIONS SOURCE CODE

- The following source codes must be used when claiming for Solidarity fund Donations

Description	Source code
Solidarity Fund donations	4055

## 17 ANNEXURE F – LIST OF ALL VALID COUNTRY NAMES

Code	Country of Citizenship	Code	Country of Citizenship	Code	Country of Citizenship
ABW	Aruba	GGY	Guernsey	PRI	Puerto Rico
AFG	Afghanistan	ATF	French Southern Territories - TF	NOR	Norway
AGO	Angola	GIB	Gibraltar	PNG	Papua New Guinea
AIA	Anguilla	GRC	Greece	PRY	Paraguay
ALA	Åland Islands	GAB	Gabon	PSE	Occupied Palestinian Territory
ALB	Albania	GMB	Gambia	OMN	Oman
AND	Andorra	GHA	Ghana	PAN	Panama
ARG	Argentina	GUM	Guam	POL	Poland
ARM	Armenia	GTM	Guatemala	PRT	Portugal
ARS	Arabia Saudi	GLP	Guadeloupe	PCN	Pitcairn
ASM	American Samoa	DEU	Germany	PLW	Palau
ATA	Antarctica	GRL	Greenland	PER	Peru
ATG	Antigua and Barbuda	GRD	Grenada	PHL	Philippines
AUS	Australia	GIN	Guinea	QAT	Qatar
AUT	Austria	GNB	Guinea-Bissau	KOR	Republic of Korea
AZE	Azerbaijan	GUI	Guiana French	REU	Réunion
BDI	Burundi	KAZ	Kazakhstan	SGP	Singapore
BEL	Belgium	HUN	Hungary	SHN	Saint Helena
BEN	Benin	IND	India	LCA	Saint Lucia
BFA	Burkina Faso	JOR	Jordan	SLE	Sierra Leone
BGD	Bangladesh	HMD	Heard and McDonald Islands	RWA	Rwanda
BGR	Bulgaria	JEY	Jersey	SYC	Seychelles
BHR	Bahrain	HTI	Haiti	RUS	Russian Federation
BHS	Bahamas	GUY	Guyana	ROU	Romania
BIH	Bosnia and Herzegovina	IRL	Ireland	VCT	Saint Vincent and the Grenadines
BLR	Belarus	HND	Honduras	BLM	Saint-Barthélemy
BLZ	Belize	ISL	Iceland	KNA	Saint Kitts and Nevis
BMU	Bermuda	IDN	Indonesia	MAF	Saint-Martin (French part)
BOL	Bolivia	IRQ	Iraq		
BRA	Brazil	CIV	Ivory Coast (see Cote d'Ivoire)	STP	Sao Tome and Principe
BRB	Barbados	VAT	Holy See	SAH	Sahara
BRN	Brunei Darussalam	JPN	Japan	SRB	Serbia
BTN	Bhutan	IRN	Iran, Islamic Republic of	SPM	Saint Pierre and Miquelon
BVT	Bouvet Island	ISR	Israel	SMR	San Marino
BWA	Botswana	IMN	Isle of Man	WSM	Samoa
CAF	Central African Republic	LVA	Latvia	SGS	S. Georgia and S. Sandwich Is.
CAN	Canada	KWT	Kuwait	SLB	Solomon Islands
CCK	Cocos (Keeling) Island	LIE	Liechtenstein	SJM	Svalbard and Jan Mayen Islands
CHL	Chile	LSO	Lesotho	LKA	Sri Lanka
CHN	China	LBR	Liberia	SDN	Sudan
CIV	Côte d'Ivoire	MLT	Malta	MKD	The former Yugoslav Republic of Macedonia
CMR	Cameroon	KIR	Kiribati	SVN	Slovenia
COD	Democratic Republic of the Congo	FSM	Micronesia, Federated States of	TUR	Turkey
COG	Congo	MYS	Malaysia	TAI	Taiwan

Code	Country of Citizenship	Code	Country of Citizenship	Code	Country of Citizenship
COK	Cook Islands	MDV	Maldives	TJK	Tajikistan
COL	Colombia	MDG	Madagascar	CHE	Switzerland
COM	Comoros	MWI	Malawi	SYR	Syrian Arab Republic
CPV	Cape Verde	KGZ	Kyrgyzstan	SOM	Somalia
CRI	Costa Rica	MLI	Mali	THA	Thailand
CUB	Cuba	MTQ	Martinique	TGO	Togo
CXR	Christmas Island	LBY	Libyan Arab Jamahiriya	SUR	Suriname
CYM	Cayman Islands	LAO	Lao People's Democratic Republic	ZAF	South Africa
CYP	Cyprus	MRT	Mauritania	TKL	Tokelau
CZE	Czech Republic	MUS	Mauritius	TON	Tonga
CZF	Czechoslovakia (Former)	MYT	Mayotte	TTO	Trinidad and Tobago
DJI	Djibouti	MCO	Monaco	TCA	Turks and Caicos Islands
DMA	Dominica	MNG	Mongolia	TUV	Tuvalu
DNK	Denmark	MDA	Moldova	TKM	Turkmenistan
DOM	Dominican Republic	MNE	Montenegro	UGA	Uganda
DZA	Algeria	GEO	Georgia	PAK	Pakistan
EAT	East Timor	MSR	Montserrat	UKR	Ukraine
ECU	Ecuador	MAR	Morocco	ARE	United Arab Emirates
EGY	Egypt	MOZ	Mozambique	GBR	United Kingdom of Great Britain and Northern Ireland
ERI	Eritrea	NRU	Nauru	VIR	United States Virgin Islands
EST	Estonia	NPL	Nepal	USM	US Minor Outlying Islands
ETH	Ethiopia	NLD	Netherlands	URY	Uruguay
EUU	European Union	ANT	Netherlands Antilles	UZB	Uzbekistan
FIN	Finland	NER	Niger	WLF	Wallis and Futuna Islands
FJI	Fiji	NIC	Nicaragua	VNM	Viet Nam
FLK	Falkland Islands (Malvinas)	NZL	New Zealand	VEN	Venezuela (Bolivarian Republic of)
FRA	France	NGA	Nigeria	ESH	Western Sahara
FRO	Faeroe Islands	NCL	New Caledonia	VUT	Vanuatu
GNQ	Equatorial Guinea	NAM	Namibia	USA	United States of America
GUF	French Guiana	NIU	Niue	YEM	Yemen
HKG	Hong Kong Special Administrative Region of China	LTU	Lithuania	SWZ	Swaziland
HRV	Croatia	MHL	Marshall Islands	TLS	Timor-Leste
IOT	British Indian Ocean Territory	ITA	Italy	SAU	Saudi Arabia
KHM	Cambodia	KEN	Kenya	SVK	Slovakia
MAC	Macao Special Administrative Region of China	LUX	Luxembourg	SWE	Sweden
PRK	Democratic People's Republic of Korea	MEX	Mexico	TUN	Tunisia
PYF	French Polynesia	NFK	Norfolk Island	ZMB	Zambia
SLV	El Salvador	MMR	Myanmar	TZA	United Republic of Tanzania
TCO	Chad	LBN	Lebanon	ESP	Spain
VGB	British Virgin Islands	JAM	Jamaica	SEN	Senegal
ZNC	Any country not on this list	MNP	Northern Mariana Islands	ZWE	Zimbabwe



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