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GOVERNMENT NOTICE

SOUTH AFRICAN REVENUE SERVICE

No. 1139 **21 October 2008**

INCOME TAX 2008: NOTICE TO FURNISH RETURNS FOR THE 2008 YEAR OF ASSESSMENT

1. Notice is hereby given in terms of section 66(1) of the Income Tax Act, 1962 (Act No. 58 of 1962) ("the Act"), that every person who is personally or in a representative capacity liable to taxation under the Act, or who is required in terms of paragraph 2 to furnish a return, must furnish a return in respect of the 2008 year of assessment within the period prescribed in paragraph 4 below.

2. The persons referred to in paragraph 1 include—
   (a) every company, trust or other juristic person, which is either a resident or which derives any gross income or capital gain from a source in the Republic;
   (b) every company incorporated, established or formed in the Republic, but which is not a resident as a result of the application of any agreement entered into with the Government of any other country for the avoidance of double taxation;
   (c) subject to paragraph 3, every natural person whose gross income for the year of assessment exceeded—
      (i) R43 000 in the case of a person below the age of 65 years; or
      (ii) R69 000 in the case of a person aged 65 years and older;
   (d) every natural person who carried on any trade in the Republic (other than solely in his or her capacity as an employee);
   (e) every natural person to whom an allowance or advance was paid or granted as contemplated in section 8(1)*(a)* of the Act (other than an amount reimbursed or advanced as contemplated in section 8(1)*(a)*(ii));
   (f) every natural person who had capital gains or capital losses exceeding R15 000;
   (g) every resident who during the 2008 year of assessment held any funds in foreign currency or owned any assets outside the Republic, if the total value of those funds and assets exceeded R50 000 at any stage during that year;
   (h) every resident to whom any income or capital gains from funds in foreign currency or assets outside the Republic could be attributed during the 2008 year of assessment in terms of the Act;
   (i) every resident who held any participation rights, as contemplated in section 72A of the Act, in a controlled foreign company;
   (j) every person to whom an income tax return is issued or who is requested by the Commissioner in writing to furnish a return, irrespective of the amount of income of that person; and
   (k) every representative taxpayer of any person contemplated in paragraphs *(a)* to *(j)* above.

3. A natural person contemplated in paragraph 2*(c)* is not required to furnish a return for his or her 2008 year of assessment, if—

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(a) the gross income of that person consisted solely of gross income described in one or more of the following subitems:

(i) either remuneration paid or payable to him or her—

(aa) which does not exceed the annual equivalent of R60 000 (after deduction of deductible contributions to any pension fund, retirement annuity fund and medical fund) and from which only Standard Income Tax on Employees (SITE) has been deducted; or

(bb) from one single source, which does not exceed R120 000, for the full year of assessment (all 12 months) and employees' tax has been deducted or withheld from the full amount (after the deduction of deductible contributions to any pension fund, retirement annuity fund and medical fund) in terms of the deduction tables prescribed by the Commissioner in terms of the Fourth Schedule to the Act;

(ii) foreign dividends and interest from a source outside the Republic which do not in total exceed R3 000; and

(iii) interest income from a source in the Republic not exceeding—

(aa) R18 000 in the case of a natural person below the age of 65 years; or

(bb) R26 000 in the case of a natural person aged 65 years and older,

reduced by any amount of foreign dividends and interest mentioned in subitem (ii) above, which is exempt from tax in terms of section 10(1)*(i)*(xv)*(aa)* of the Act; and

(b) none of the provisions of paragraphs 2*(d)* to *(k)* apply in respect of that person.

4. Returns in respect of the 2008 year of assessment must be furnished within the following periods:

(a) in the case of any company, within 12 months from the date on which its financial year ends; or

(b) in the case of all other persons (which include natural persons, trusts and other juristic persons, such as institutions, boards or bodies)—

(i) on or before 21 November 2008 if the return is submitted manually;

(ii) on or before 23 January 2009 if the return is submitted in an electronic format as provided for in terms of the regulations issued in terms of section 66(7B) of the Act; or

(iii) where accounts are accepted by the Commissioner in terms of section 66(13A) of the Act in respect of the whole or portion of a taxpayer's income, which are drawn to a date after 29 February 2008, but on or before 30 September 2008, within 6 months from the date to which such accounts are drawn.

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5. The forms prescribed by the Commissioner for the rendering of returns are obtainable on request or on application from any office of the South African Revenue Service, other than an office which deals solely with matters relating to customs and excise, or *via* the internet at www.sarsefiling.co.za.

6. Returns must be:
   (*a*) e-filed directly on the website www.sarsefiling.co.za, provided the person is registered for e-filing;
   (*b*) forwarded by post to the South African Revenue Service;
   (*c*) delivered to an office of the South African Revenue Service, other than an office which deals solely with matters relating to customs and excise; or
   (*d*) delivered to such other places as designated by the Commissioner from time to time.

7. If a person who is required to render a return fails to do so within the period mentioned in paragraph 4 above, that person is liable on conviction to a fine or to imprisonment for a period not exceeding two years. The Commissioner may also estimate that person's taxable income, impose a penalty in respect of the failure to submit the return within the required period or both.

8. A taxpayer who knowingly and wilfully makes any false statement in a return or evades or attempts to evade taxation, or a person who assists a taxpayer to do so, is liable on conviction to a fine or to imprisonment for a period of up to five years. The Commissioner may also impose a penalty equal to two times the amount of tax which was evaded.

9. No person is exempted from any penalty merely by reason of the fact that the person may not have been called upon personally to furnish a return.

10. For purposes of this notice, any word or expression to which a meaning has been assigned in the Income Tax Act, 1962, bears the meaning so assigned, and "2008 year of assessment" means—
   (a) in the case of a company, the financial year of that company ending during the 2008 calendar year; and
   (b) in the case of any other person, the year of assessment ending 29 February 2008.

11. Further information or assistance may be obtained from any office of the South African Revenue Service, other than an office which deals solely with matters relating to customs and excise or from the website: www.sars.gov.za

ISSUED BY THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

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