

## **ERROR BY SARS 10% INSTEAD OF 8%**

It has been brought to my attention that in regard to the % increase that SARS have used 10% instead of 8% on some 200 000 provisional taxpayers that they have processed. This is the number that I have been given and I am not sure as to the exact extent of the number of provisional taxpayers that were processed incorrectly.

Unfortunately there are implications for all of us, and in this document I specify how it will work where you encounter the 10% instead of the 8%.

It is absolutely imperative that you read my provisional tax notes which are contained on Accfin's website under tax blog –

<http://www.acffin.co.za/tax-blog.htm>

I will again be sending you those notes by way of email.

### **Where you are going to process your forms without using the Accfin eFiling system or iTax Connect i.e. paper based provisional tax forms IRP6**

In this instance you will receive the form and you will either input it manually or scan the form into the IRP6 Forms received program. What will happen in this case is that Tax manager adds 8% automatically and SARS will add 10% on the form if it is incorrect. Clearly in this case you will not get the figure on the screen to agree to the final figure on the form.

In my view the easiest and quickest way to deal with this situation is to accept the Accfin figures as the **SARS Estimate** making sure that all the other figures like the 1<sup>st</sup> payment made or the PAYE are correct and the discrepancy will then be the 2% on the percentage increase. Accept the Tax Manager figures as the **SARS Estimate** indicating on the form IRP6 that there is an error in the event that you have to have documentary evidence.

Where you have not received the form and you run the calculation in the normal course of events the system will automatically put in the 8% and there will be no issue in this regard.

Remember the 8% will only be added from 2008 or prior.

**Where iTax Connect is used i.e E Filing is used.**

Where you are downloading the IRP6 data from SARS and SARS have calculated the increase percentage at 10% instead of 8% in error the 10% figure will automatically download into the IRP6 form maintenance routine. What I would suggest in this case is that you just accept the figures as being the SARS estimate and if the 2% on the added increase **is material** you may adjust it by using the **Taxpayer Estimate** routine.

**Conclusion**

Please all understand that we together with SARS are going through some really volatile and hectic changes. At the moment there is not much that we can do about it except to fit in in the most efficient way.

If anyone has any comments please let me know, I will do my level best to keep everybody informed.

Mark Silberman