



South African Revenue Service

Dear Taxpayer

INTRODUCTION OF THE NEW DYNAMIC INCOME TAX RETURN FOR COMPANIES (ITR14)

As part of the modernisation of Corporate Income Tax (CIT) aimed at improving efficiency and compliance, an enhanced Income Tax Return for Companies (ITR14) will be introduced on 4 May 2013.

Before completing your ITR14 make sure that the contact, address, banking and public officer details of the company are correct by verifying and updating it (if required) on the new Registration Form (REG01). You can verify and update the REG01 details by:

- Clicking on the “Maintain legal entity details” button on eFiling. SARS may request you to come into a branch to verify any changes to your banking details which may have been done via eFiling.
- Visiting a SARS branch. Please consult the REG01 completion guide on www.sars.gov.za to prepare the mandatory relevant material (supporting documents) required for updating of banking and public officer details at a SARS branch.

The dynamic ITR14 will be hosted in Adobe Flash Player (version 11 and onwards) and will allow the company to create a customised return for completion. One of the additional benefits is that mandatory fields will be indicated in red on the electronic form, thus simplifying the completion of the ITR14. Furthermore, the ITR14 can be saved on eFiling at any time and completed later. Saved declarations can be opened and amended before being submitted on eFiling.

Submissions and Request for Corrections (RFC) will all be done electronically on eFiling or at a SARS branch, ensuring efficiency and accuracy.

It is also very important to note that if you have an IT14 or IT14SD in the current format and you have not submitted it by 4 May 2013 you will be required to complete the new ITR14 and IT14SD for submission. It is important to note that companies that have previous versions of the tax return saved on their eFiling profile must ensure that such returns are submitted by 3 May 2013. Failure to do so will result in all data having to be recaptured on the new ITR14. Also note that if your notification of selection for audit is within the twenty-one working day period before 4 May 2013, you should obtain the new IT14SD before making your submission.

Obtaining the ITR14

The ITR14 can only be obtained via eFiling or at a SARS branch. Please note that you will not be able to obtain the ITR14 or IT14SD through the Contact Centre.

Completing the ITR14

A customised ITR14 will be created according to the company type that you specify when completing your return. Company types will be classified in line with the following company category descriptions:

Company type	Category description
Dormant company	A dormant company is classified as a company that has not actively traded for the full year of assessment (i.e. if the company partially traded during the year of assessment, the company will not be regarded as a dormant company).
Share Block	A Share Block Company is defined in s. 1 of the Share Blocks Control Act, 1980 (Act 59 of 1980).
Body Corporate	A Body Corporate is defined in s. 1 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 R5million, and that is not classified as a Body Corporate / Share Block Company.
Small business	A Small Business is classified as 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, that is not classified as a Body Corporate / Share Block Company or Micro Business. Note: A Small Business is not the same as a Small Business Corporation as defined in s.12E.
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 (i.e. gross income (sales / turnover plus other income) exceeding R14 million and / or total assets exceeding R10 million).

Submitting the ITR14

The ITR14 can only be submitted via the following channels:

- eFiling
- At a SARS branch.

Please note that posted ITR14 returns will no longer be accepted by SARS.

Submission of relevant material with the ITR14

For Small Businesses and Medium to Large Businesses, the submission of **signed off** supporting Annual Financial Statements (AFS) is compulsory; for all other companies it is optional.

The following schedules (available on www.sars.gov.za) must also be completed and attached to the ITR14 as relevant material where applicable:

- Short term insurers: ICS01 Short term insurance schedule
- Mining companies: GEN-001 Mining schedule
- Headquarter Companies: RCH01 Schedule for Headquarter Company election
- Controlled Foreign Companies: IT10 Controlled Foreign Company CFC return
- A company that claimed an allowance for learnership agreements: (s.12H) - IT180 schedule

These documents must be submitted via eFiling at the time of submission of the return.

On subsequent submission of the specific ITR14, the submission of the Annual Financial Statements and/or supporting schedules is optional.

eFiling – secure and convenient

Taxpayers who have not yet registered for eFiling are encouraged to visit www.sarsefiling.co.za to register as this will enable them to obtain, complete and submit the ITR14 online in a secure environment 24 hours a day.

For more information on the ITR14 or IT14SD please visit the Corporate Income Tax webpage on www.sars.gov.za or contact the SARS Contact Centre on 0800 00 SARS (7277).

Sincerely

ISSUED ON BEHALF OF THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

April 2013