



GOT A TAX QUESTION? WE'VE GOT THE ANSWER.

Johan Swart, tax manager at Legal&Tax, answers our members' frequently asked questions.

WHO HAS TO PAY TAX?

Every person in South Africa who earns a salary above the tax threshold has to pay tax. As we are in the 2017 tax year, the income threshold is R75 000 for anyone below the age of 65.

WHAT IS AN IRP5?

Your IRP5 confirms your income for the year as well as the tax that has been deducted for that period. Essentially, an IRP5 is a receipt that proves you have paid tax.

WHO DECIDES HOW MUCH TAX I PAY?

The annual tax tables are communicated by the government after the budget speech each year. That means the tax rates are determined by law. This applies to income tax, VAT and customs and excise duties.

IF I SUBMIT MY IRP5 AND THEN SARS NOTIFIES ME THERE'S AN AMOUNT OUTSTANDING THAT I NEED TO PAY, WHOSE FAULT IS THAT?

The person who earns the income is responsible for paying the tax, irrespective of whether or not there were any errors in the payroll process. Assessments should be paid by the due date, or arrangements must be made with SARS regarding outstanding amounts.

HOW DO I REGISTER AS A TAXPAYER?

If you are employed, and your employer uses SARS easyFile software, your employer should be able to register you as a taxpayer. If not, you must visit a SARS branch office. The following forms need to be completed and submitted: IT77 form, certified copy of your ID, IRP5 tax certificate from your employer, original proof of residential address, and an original bank statement with the branch stamp.

I FORGOT MY PASSWORD FOR SARS EFILING. HOW DO I GO ABOUT GETTING MY PASSWORD BACK?

If you still remember the answers to your security questions, then simply click on the icon "forgotten password" on the SARS eFiling site. You can then reset your password. If not, you will have to contact the SARS call centre on 0800 00 7277.

WHY DO YOU SOMETIMES GET MONEY BACK FROM SARS?

Our tax system has become so finely tuned over the past few years that most people will not get a refund from SARS. However, there are always exceptions. Refunds can come about if your medical aid contributions are paid through your own bank account and not administered by your employer's payroll. Contributions to a retirement annuity fund, the fact that you receive a travel allowance or the use of a vehicle from your employer can also result in a refund.

WHEN DOES THE TAX YEAR BEGIN AND END?

The tax year lasts 12 months, from 1 March of any year to 28 February the next year. So the 2017 tax year is from 1 March 2016 to 28 February 2017.

I HAVE SUBMITTED MY PAPERWORK TO SARS, AND WAS TOLD I'M BEING AUDITED. I STILL HAVEN'T HEARD BACK FROM THEM. WHAT SHOULD I DO?

You should follow up with SARS, and ensure you get a case number with every follow-up. As soon as you have three case numbers, you can submit a complaint (if you are registered on SARS eFiling). However, some audits can take 90 working days or longer to finalise. If it is longer than 90 working days, SARS must give you reasons for the delay.

I NEED MY TAX NUMBER, BUT I DON'T HAVE TIME TO GO TO MY NEAREST SARS OFFICE. CAN I GET MY TAX NUMBER ONLINE?

Unfortunately, you can't get a tax number online. If you are employed, you can request your employer to get a tax number for you, provided they are registered on SARS eFiling for employee tax.

IF I CALL SARS TO FOLLOW UP WITH MY SUBMISSION, WHAT DETAILS DO THEY NEED?

To follow up with SARS directly, you will only need your income tax reference number and ID number. You can also email your membership number to Legal&Tax, and we will be able to see whether SARS has made any progress via eFiling.

HOW DO I KNOW IF THE TAX DEDUCTED FROM MY SALARY IS THE CORRECT AMOUNT?

Most employers use computerised payroll systems that contain the tax tables applicable for a particular tax year. These systems are reviewed and approved by SARS, so the chances of any errors are extremely slim. Any person can also access the annual tax table for a particular tax year on the SARS website (sars.gov.za).

DOES BELONGING TO MEDICAL AID CHANGE THE AMOUNT OF TAX THAT GETS DEDUCTED FROM MY SALARY?

There is a tax rebate for a person belonging to a medical aid scheme: R286 for the first two members and R192 for every additional member thereafter, per month. So, a person with his spouse and two children, for example, will qualify for a tax rebate of R902 per month. That is, of course, provided he pays at least R902 in tax per month. The amount contributed per month to the medical aid does not influence the rebate.

IS IT A CRIME IF I DON'T PAY THE MONEY I OWE SARS?

Owing SARS money is not a crime, but SARS does have the power to issue deduction orders against your salary or bank account. These actions, or further legal action, can be taken without notification.

For more info about SARS, go to sars.gov.za or call 0800 00 7277. Do you have a tax question? Our experts have the answers. Visit legalandtax.co.za, contact us on **0860 LTS LTS (587 587)** or email tax1@legalandtax.co.za.

Remember. With Legal&Tax by your side, help is just a phone call or mouse click away.

