Dear Tax Practitioner

INTRODUCTION OF NEW ‘SINGLE REGISTRATION SYSTEM’ AT SARS

In May 2014, SARS will be introducing changes to registration processes for individuals and companies as well as across various tax types, with the focus on Income Tax (IT), Value-added Tax (VAT), Pay-As-You-Earn (PAYE), and to a limited degree, Customs and Excise during this initial phase.

Once the entire project has been rolled out, all taxpayers, traders and tax practitioners will have a single interface to SARS for their registration / licensing /amendment needs. This will ultimately make managing your client’s tax affairs easier as all your tax and customs products will be linked to your unique profile at SARS.

Benefits which will immediately be seen in the first phase include faster turnaround time for first-time registration applications, the introduction of additional registration channels and simpler processes for official taxpayer Representatives.

Initial changes will include the following:

- A new centralised application processing capability for the registration of an Entity (e.g. individual/company).
- New clients will only need to submit a registration application once (which they will do at a SARS branch), and thereafter simply register for different products (using eFiling), as their registration details will already be on the SARS system.
- Clients will be able to register for and manage Income Tax, VAT and PAYE via eFiling on a Registration, Amendments and Verification (RAV01) form. Other taxes will be added during later phases.
- A process that caters for both the electronic submission of applications (via eFiling) and walk-in applications at SARS branches. At branches the same application forms that are currently in use will continue to be used and these will then be captured electronically by a SARS agent while the client waits. All applications for IT and PAYE will be processed real-time, while VAT applications, which are also processed real-time, may require an additional review step if the SARS risk engine flags it for further inspection.
- Automated registration of certain clients: If a company registers employees through the current employer registration channels (e.g. ITReg), these individuals will not need to register for IT purposes with SARS again (they will be sent their tax reference number on registration). Also, if a company is registered with the Companies and Intellectual Property Commission (CIPC), then it will automatically be registered with SARS for Company Income Tax purposes.
- Third party data from CIPC and the Department of Home Affairs will also be used during the registration process for companies and individuals respectively. If there is a mismatch of information, clients will be expected to go to a branch to correct this mismatched information.
- The linking of all registered entities with their “representative persons” on the SARS system. Anyone who represents an individual / company / trust in a formal capacity recognised by SARS e.g. Public Officer /
Liquidator / Guardian, etc. in their dealings with SARS, will have to be registered with SARS and linked to the entity that they represent. The Representative will only have to bring in their Power of Attorney and other relevant documents to a SARS branch once, and their details will then be reflected on the SARS system. Tax practitioners should be aware that the registered Representative has certain roles that only that representative can perform and the Practitioner will not be able to perform. As such, it is recommended that tax practitioners ensure that the Representative of their client registers with SARS and establishes this role as soon as possible.

- The official “representative person” of an entity can also allocate the rights to use the registration service on SARS eFiling to additional people who can perform the same functions (including tax practitioners who are acting on behalf of a company).
- Strict control of sensitive information. Should a client wish to register for the first time or change his/her identity information (such as ID number, registration number and their representative person), he/she will need to come into a SARS branch as physical authentication and visual inspection of relevant material will be required. They cannot do this via the SARS Contact Centre, post or SARS eFiling. Other sensitive information such as email addresses and cellphone numbers can be changed by the SARS client or their official representative on eFiling.
- Registrations or amendments to registered details will be confirmed electronically via email, SMS or eFiling notice.
- Although the ultimate aim of this new system is to give you a single view of all tax products linked to your profile, it will take some time for all your products to be visible under your profile. If you notice after a period of time that all your products aren’t linked to your profile, you may come into a SARS branch where a branch agent will help to give you a single view of your profile (this excludes Customs and Excise for this phase).

For the initial phase, tax practitioners are also asked to take note of the following:

- Tax Practitioners are not regarded as the official “representative persons” and are therefore seen as “once off mandates” when they visit a SARS branch. They will therefore still need to bring their Power of Attorney to a SARS branch at every visit. In a later phase, we will also record the tax practitioner/client relationships, and then the same will apply as for the Representatives.
- While the end state objective is that tax practitioners should not be allowed to change sensitive details of their clients, SARS will allow this in our initial release in accordance with the following rules:
  - A tax practitioner who has access to a client’s Income Tax via eFiling will be allowed to change ALL registered details of the client via eFiling, other than their ID Number (currently tax practitioners can change all registered particulars for PIT and CIT via eFiling). Only the Taxpayer/registered Representative will be able to change ID/Registration numbers in a SARS branch.
  - A tax practitioner who has access to any of their client’s product information via eFiling (i.e. VAT, PAYE, Customs, Excise), will be allowed to change the product-specific registered details (i.e. certain demographic details linked to specific products, such as addresses) of the client via eFiling.
  - Tax practitioners who visit a branch will be able to change address and contact details, and will be able to submit new product registration applications.
  - Registered Representatives will be able to submit new product registration applications from eFiling, as well as assign additional users to eFiling. However, they will not be able to change ID/Registration numbers on eFiling.
• Tax practitioners registered with SARS who have been given the authority to act on behalf of a company / individual and are already registered to submit the company’s returns, will still have access to the returns which they can continue to submit via eFiling. Additionally, they can continue to add additional companies (clients) to their eFiling profile (as is currently the process).

For further queries, please call the SARS Contact Centre on 0800 00 SARS (7277).

Sincerely

THE SOUTH AFRICAN REVENUE SERVICE

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