Minutes of quarterly tax practitioners meeting held on 24th August 2011

Attendees:

Craig Hirst (SAIT)

Colin Wohlfsohn (SAICA)

Henk Visser

Stan Kelly

Hugh Knight

Altaaf Parker

Juanita Rae

Victor Calle Sanchez

Brenton Ellis

Sybil Du Preez

Zahir Shaik

Willie Viljoen

Annette Van Rooyen

Karen King

Sureta Attwell

Kungie Giyose-Kupiso

Mandisa Mqikela

Bradley Haupt

Opening

- ❖ Mandisa opened the meeting and introduced Willie Viljoen
- Willie welcomed all
- Introductions were made by all

Agenda

Systems

- ❖ Efiling is the first channel to be used and Anton and Eugene are available for assistance.
- ❖ Efiling assist which is currently situated at Doringkloof can also be used through email.
- ❖ The contact Centre in Alberton has new recruits who will be more skilful in determining the errors whether they are software related or otherwise who will be able to direct the queries to the correct people to finalise the queries.
- ❖ It is evident that there are issues which need to be investigated which SARS is not aware of and scenarios should be sent through for further escalation by Mr Knight.
- ❖ Mr Knight pointed out that his query has been resolved in the meantime however he strongly feels that the contact centre to him is the last resort, it

- seems that the queries raised through the contact centre are not forwarded to the relevant divisions to be finalised.
- ❖ If an agent cannot solve a query he /she
- ❖ 80% of queries are not efiling related therefore resulting in longer resolution time. A proposal is to shut down the efiling assist sift through the cases received and only attend to functional queries of efiling.
- ❖ It has been noted that the agents have less knowledge therefore training for 6weeks has been initiated and are monitored for a certain period before taking that first call.
- ❖ The emphasis is on quality and practitioner satisfaction.

Provisional Tax

- ❖ It is no longer required to request the change of status of a tax payer as the system will automatically change the status when the assessment is finalised.
- Clients wants a confirmation in writing from SARS confirming that they are not longer provisional tax payers to be escalated by Mandisa.
- ❖ It has been identified on a number of taxpayers that the statement of account reflects that a taxpayer is still categorised as a provisional taxpayer after the system has identified that the taxpayer is no longer a provisional tax payer to be escalated by Mandisa.
- ❖ A recommendation to be forwarded to head Office that at least the assessment notice should be able to tell whether a taxpayer is provisional or not.
- ❖ Members of a Close Corporation are not provisional tax payers.

Case numbers issued by SARS

❖ Mandisa to escalate as to why there are those who are issued with case numbers and others not.

Tax Clearance applications

- ❖ The turnaround time is 3 to 5 working days the assessment centre is having a backlog and has appointed additional staff whom are currently undergoing training.
- Mr Colin Wohlfsohn pointed out that the turnaround time of 5 days is totally unacceptable.
- ❖ Juanita mentioned that the tcc's submitted online takes 21 working days
- ❖ Willie will try to get a recommendation but cannot confirm the time frame.
- ❖ It has been noted by the practitioners who have shared access with their clients that they submit an application for tee which is declined and the client submits an application as well and that is approved.
- ❖ Why are clearances being declined whereas the debt is less than R2 500 is the rule of less than R2500 not applicable any more?
- ❖ The email received when the tcc is being declined is not clear as they still need to contact the call centre or visit the branch to get the reasons why the tcc has been declined.
- ❖ A suggestion from Mr Colin Wohlfsohn is to have perhaps a button on the system where you can indicate that you wish for the tcc to be posted to the

- address indicated on the application instead of making an appointment or queuing to get the print outs.
- ❖ Mr Knight has suggested that on the tcc system there must be a pop up error message to indicate if there are errors on the application form before submitting for an example the format of the registration number or trust number.
- ❖ A recommendation also it to compare with CPIC on the issued of the format of the registration number.
- ❖ If the practitioner applies for an example a foreign investment for his client and the application is declined why is the application form with the documents sent back to the taxpayer instead of the appointed agent.
- ❖ Why is the system declining an application for tcc if the last digits of an individual ID number have changed and SARS system hasn't updated even though when the IT12 was submitted with the new id.
- ❖ What is the procedure to update id number if the system does not update when the ITR12 is submitted.

Banking Details

- ❖ Mr Shaik said that the efiling is the system to be used to update information if the test is failed you will be required to verify at your nearest branch office.
- An it 77 is submitted with the banking details however the banking details are detached and a letter is issued to the client to update banking details why?
- ❖ Willie mentioned that the date of implementation is not yet available but when you go to your bank to update your banking details the bank will have a system with SARS to also do the changes.
- ❖ Annette explained that line control outside takes out the people who are here to update/verify the banking details into a separate queue
- ❖ A suggestion from Mr Colin Wohlfsohn that there should be a signage outside for the queues especially the verification of banking details.
- ❖ Mr Shaik replied that due to space it will not be possible to have signage's outside however the line control people are there to go through the queue and remove those that are there for verification of banking details.
- ❖ Why is a letter from the bank not acceptable as it has the account holder account number and they have gone through the FICA process at the bank?
- ❖ Why are clients rejected if they do not have a full month's bank statement?
- ❖ Banking details is high priority
- ❖ The branch office has extend hours for completion of returns and update/verify banking details only.
- ❖ The Practitioners were not aware of the extend hours did not get any communication.
- ❖ Any media releases should also be forwarded to the practitioners.
- ❖ A suggestion is to at least forward any communication to the different institutes'.
- Practitioners are requesting to be allowed to also come in on Saturdays
- ❖ Practitioners to be notified of any changes to the practitioner unit for an example the number of people doing the appointments etc.

6. SARS Efiling system issues

Independent contractors must complete their expenses under other trade income.

Medical

- Compliance to send correct letter to the client
- ❖ The return was submitted and captured SARS requested the supporting documents which were submitted however SARS issued a declined letter stating that due to non submission of the required supporting documents the assessment has been finalised.
- Juanita to escalate a query about VAT to Mandisa.
- ❖ Mr Colin Wohlfsohn gave Annette the 3 letters he received for escalation.
- ❖ Victor pointed out that if SARS query the out of pocket expenses on the medical aid certificate why not query the validity of the contributions as well.
- Mr Colin Wohlfsohn said that SARS must communicate with the medical aids to not include the non-script expenses on the out of pocket expenses or to separate them to be escalated.

Taxpayers who are no longer taxpayers

- ❖ No letter is issued back to the practitioner informing them that the taxpayer is no longer a taxpayer.
- ❖ A taxpayer was receiving rental income but the tenants moved out and she did not get another tenant did not submit return administrative penalty was raised, submitted the nil return, did the RFR but the client still owes.
- ❖ Administrative penalties are hitting the poorest of the poor. Mr Parker feels that the system is not fair and will submit examples.

Power Of Attorney

- ❖ The Power of Attorney is accepted in exceptional cases for banking details.
- The practitioner should at all times have the original Power of attorney when visiting the branch office for all of their clients.
- ❖ The new POA is available on the website
- ❖ General POA does not allow you to do an objection
- ❖ Special POA allows you to do all including objections
- ❖ The POA is valid for 2 years and you must at all times have the original document.
- ❖ If the client gives you POA for all taxes all the numbers must be on the POA because if only the Income tax is completed it means he has only given POA for that tax only and you cannot be assisted with other taxes.
- ❖ Mr Colin Wohlfsohn asked why is it necessary to have the POA witnessed by 2 people.
- ❖ The practitioners asked whether their own POA will be accepted.
- ❖ Why are the consultants refusing to assist if you have the old POA?
- ❖ Mr Parker will forward the 89(quart) 2 interest scenarios.

❖ Victor is concerned that they are booked for an appointment with a consultant and a lot of time is consumed by the consultant with admin (production sheets etc).

Drop Boxes

- ❖ Practitioners submit documents after 15:00 especially cheques it is dated the next day.
- ❖ The cash hall closes at 15:30

General

- Practitioners are requested not make bookings and not attend, but send the clients alone. The clients are not going to be assisted without the practitioner present.
- ❖ What is the criterion used to identify the submitted vat 201 to go for review?
- ❖ Mr Colin Wohlfsohn pointed out that it has already been escalated nationally.
- ❖ Mandisa will forward her contact details to the practitioners.

Meeting Adjourned.