

EXTERNAL POLICY
CHANGE OF BANKING DETAILS
FOR INDIVIDUALS

1 SCOPE

- This policy applies to a request by an individual taxpayer to change bank account details.
- This policy explains the taxpayer's obligations relating to change of bank details and the requirements applicable.

2 POLICY STATEMENT

- In terms of Section 102 of the IT Act, the Commissioner for the South African Revenue Service (SARS) shall refund excess amount paid by the taxpayer in respect of the year of assessment, the amount so assessed or excess amount paid by the taxpayer in respect of the taxes chargeable under IT Act.
- However the Commissioner of SARS (the Commissioner) shall not refund any amount less than R100 or less than such other amount determined by the Commissioner in the Government Gazette. The credit amount shall not be refunded in that year of assessment but shall be carried forward to the following year of assessment, in terms of Section 102(4) of IT Act.
- The Commissioner shall not authorise the refund where the taxpayer has:
 - Failed to furnish a tax return for any year of assessment as required by IT Act, until that taxpayer has furnished the return as required;
 - Failed to furnish the Commissioner with banking details to enable the Commissioner to transfer the funds to that account.
- The primary method of paying refunds is by transferring funds to the taxpayers' bank accounts.
- Taxpayers can update their bank account details through one the following channels:
 - "In Person" at a SARS Branch (SARS's preferred channel),
 - When submitting individual Income Tax Return(ITR12):
 - Via eFiling as a registered eFiler,
 - Via post or drop-box, and
 - At any SARS Branch (walk-in).
- SARS will under no circumstances request a taxpayer's bank account details over the phone, or accept bank account detail changes via facsimile or e-mail.
- The following supporting documentation must be submitted by the taxpayer to change bank account details:
 - Original identity document/passport or affidavit to justify the absence of identity document/passport together with a temporary identity document/passport;
 - Certified copy of identity document or passport;
 - Original stamped bank statement depending on the bank format (in colour or on bank letterhead) not more than three months old that confirms the account holder's name, account number, account type and branch code where applicable; or in the case and only based on exception where the client opened a new bank account and cannot produce a bank statement, an original letter from the bank on the bank's letterhead with the bank stamp is acceptable including the date the bank account was opened, and
 - Original proof of residential address i.e. a municipal account/utility bill e.g. telephone account of an individual not more than three months old reflecting the name and residential address or a confirmation of another individual's or entity's residential address, in which instance a CRA01 – Confirmation of Entity Residential Address must be completed. The CRA01 can be obtained on the SARS Website www.sars.gov.za, or may be obtained from your nearest SARS branch. In the case where the taxpayer does not own a property, but lives on the property of the Tribal

Chief, the Acting Chief can complete the CRA01 and a signed letter indicating that the taxpayer resides on that property will be acceptable.

- Taxpayer bank account details must comply with the following:
 - Must be either a cheque, savings, or transmission account;
 - The account must be in the name of the taxpayer (joint accounts will fail AVS validations); and
 - Credit card and bond accounts are not permitted.
- If the taxpayer changes banking details and the details are of an AVS – participant bank, the changed banking details will be passed through AVS. Once the taxpayer's banking details have passed the AVS validations, the taxpayer's banking details shall be updated accordingly.
- Should the taxpayer's banking details fail AVS validations, a rejection letter will be issued to the taxpayer advising the taxpayer to visit the nearest SARS branch with the relevant supporting documentation to finalise the change of banking details.
- If the taxpayer changes banking details and the details are of an AVS non-participant bank, a rejection letter will be issued automatically to the taxpayer advising the taxpayer to visit the nearest SARS branch with the relevant supporting documentation to finalise the change of banking details.
- If the bank account type is not a cheque, transmission or savings account, the Account Holder (taxpayer) must ensure that the account is valid for purposes of EFT of any refunds.
- Statements drawn from the internet are not permitted.
- There are certain exceptional circumstances under which SARS will allow such verification of banking details to be done by a person who is not the account holder and who has power of attorney. Such a person will still have to visit a SARS branch with the relevant supporting documentation depending on the exceptional circumstances.
 - The exceptional circumstances are:
 - Any estate due to death or sequestration
 - Taxpayer who is incapacitated / terminally ill
 - Taxpayer who is a non-resident (emigrant, expatriate, foreigner and temporarily outside the Republic)
 - Taxpayer who is imprisoned
 - Taxpayer is a minor child.
- In the case of an estate, the following supporting documentation is required:
 - A letter of Authority or letter of executorship signed and stamped by the Master of High Court
 - Original identity document/passport of the executor or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport
 - Certified copy of identity document or passport of the executor
 - Certified copy of the identity document of a deceased or sequestered taxpayer
 - Certified copy of a death certificate or a court order confirming taxpayer's sequestration
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable
 - Original proof of residential address e.g. municipal account / utility bill (e.g. telephone account) of a taxpayer not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.
 - Original proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of an executor not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS

website www.sars.gov.za or may be obtained from your nearest SARS branch.

- In the case of a taxpayer who is incapacitated or terminally ill, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent
 - Original identity document/passport of an appointed person or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport
 - Certified copy of identity document or passport of the appointed person
 - Certified copy of identity document of the incapacitated / terminally ill taxpayer
 - Original medical certificate from a registered doctor or hospital confirming that the taxpayer is terminally ill, bedridden and the period of sickness not more than three months old (Inspection may be conducted by SARS if deemed necessary)
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable
 - Original proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of the incapacitated/terminally ill taxpayer not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.
 - Original proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of the appointed person not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.

- In the case of a taxpayer who is imprisoned, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent
 - Original identity document/passport of an appointed person or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport
 - Certified copy of identity document or passport of an appointed person
 - Certified copy of identity document/passport of an imprisoned taxpayer
 - Original signed letter from the Department of Correctional Services confirming that the taxpayer is imprisoned for a specific period not more than three months old
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable
 - Original proof of residential address e.g. municipal account/utility bill of imprisoned taxpayer not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch
 - Original proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of the appointed person not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.

- In the case a taxpayer who is a non-resident, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent
 - Original identity document/passport of an appointed person or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport,
 - Certified copy of identity document or passport of an appointed person
 - Certified copy of the identity document/passport of a non-resident taxpayer
 - Original letter of secondment from the employer confirming that the taxpayer is temporarily outside the Republic for a specific period not more than three months old where the taxpayer is temporarily outside the Republic

- Original letter from the South African employer confirming that the taxpayer is temporarily in the Republic for a specific period not more than three months old where the taxpayer is an expatriate
 - Copy of a Residency Certificate from a country of residence where a taxpayer is an emigrant
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code
 - Copy of proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of a non-resident taxpayer not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch
 - Original proof of residential address eg municipal account / utility bill of the appointed person not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.
- In the case a minor child, the following supporting documentation is required:
 - Original identity document/passport of a parent or legal guardian or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport
 - Certified copy of identity document/passport of a parent or legal guardian
 - Original birth certificate of a minor child
 - A letter confirming legal guardianship or court order if a minor child taxpayer is represented by a legal guardian
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable
 - Original proof of residential address e.g. municipal account/utility bill (e.g. telephone account) of the parent or legal guardian not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.
 - Where a parent or legal guardian has appointed a person to act as an agent on behalf of a minor child taxpayer, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent
 - Original identity document/passport of an appointed person or an affidavit to justify the absence of identity document/passport together with a temporary identity document/passport
 - Certified copy of identity document or passport of an appointed person
 - Certified copy of identity document or passport of the parent or legal guardian
 - Certified copy of a birth certificate of a minor child taxpayer
 - A letter confirming legal guardianship or court order if a duly authorised person has been appointed by a legal guardian not more than three months old
 - Original bank statement with a bank stamp not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable
 - Original proof of residential address e.g. municipal account/utility bill (e.g. water/electricity account) of a parent or legal guardian not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch
 - Original proof of residential address e.g. municipal account/utility bill (e.g. water/electricity account) of the appointed person not more than three months old reflecting the name and residential address or a confirmation of another entity's residential address, in which instance a CRA01 – Confirmation of Entity residential address must be completed. The CRA01 form can be obtained from SARS website www.sars.gov.za or may be obtained from your nearest SARS branch.

3 REFERENCES

3.1 LEGISLATION

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Income Tax Act No. 58 of 1962: Sections 102 and 102A read with Sections 65 and 66(5)(a)
Other Legislation:	None
International Instruments:	None

3.2 CROSS REFERENCES

- None

4 DEFINITIONS AND ACRONYMS

ABSA	Amalgamated Bank of South Africa
AVS	Account Verification Solution
Commissioner	The Commissioner for the South African Revenue Service
CRA01	Confirmation of Entity Residential/Business Address
EFT	Electronic Funds Transfer
FNB	First National Bank
IT Act	Income Tax Act No. 58 of 1962 as amended
ITR12	Return of Income for Individuals
PAYE	Pay As You Earn, which means employees' tax
SARS	The South African Revenue Service

5 DOCUMENT MANAGEMENT

Designation	Name / Division
Business Owner:	Group Executive: Branch Operations Group Executive: Contact Centre Operations
Policy Owner:	Group Executive: Enterprise Business Enablement (EBE)
Author:	Patricia Khoncha
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