

EXTERNAL GUIDE

SOUTH AFRICAN REVENUE

SERVICE

PAYMENT RULES

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1 PURPOSE

- This document details the payment rules that must be adhered to when paying the South African Revenue Service (SARS), to ensure accurate payment allocation.

2 SCOPE

- When making a payment, all SARS clients must adhere to the payment rules stipulated in this document. Payments that do not adhere to the payment rules will be rejected.
- Clients are requested to consult their service providers regarding the specific banking solutions offered in order to meet the requirements outlined in this document.
- It remains the full responsibility of the client to ensure that payment is received by SARS on time in order to avoid any penalties and/or interest from being charged.

3 GENERAL

- With effect from 1 April 2016, manual tax forms and payments will no longer be accepted by SARS; with an exception of non-core returns/declaration forms. The payments listed below will still be accepted by the Pretoria CBD Branch Office:
 - Pro-rata VAT payments on privately owned vehicles by Diplomats (VAT Non-Registered Vendors)
 - VIP payments
- The Branch office will still continue to assist clients with the following functions:
 - Completion and acceptance of returns/declaration form
 - Follow-up on outstanding debit for non-core taxes declaration forms.
- For non-core taxes, clients are required to submit an original return/declaration and a copy of proof of payment to the SARS office where they reside.
- A number of payment options are available to clients depending on a whether payment is made within or outside the Republic. Section 4.5 of this guide provides more detail regarding each of the options listed below:
 - For making payments within the Republic:
 - Payment options provided by SARS:
 - Electronically using SARS eFiling (Section 4.1)
 - Payment options provided by banking institutions:
 - Electronically using Internet (EFT) banking (Section 4.3)
 - Over the counter at a bank branch (Section 4.4)
 - For making payments from the neighbouring countries of Botswana, Lesotho, Swaziland and Namibia:
 - Electronically using Internet (EFT) banking (Section 4.3)
 - For making any other foreign payment:
 - SWIFT MT 103 (Section 4.5)
- When making payment it is imperative that the correct payment reference number or “PRN” is quoted to ensure that payments are easily identified and correctly allocated to item(s) in the account.
- The determination and use of the PRN differs across payment options. Payment options offered by SARS via eFiling give guideline to the user in determining and using the PRN. In the case of SARS eFiling, the PRN is automatically assigned by selecting the return, declaration, or statement being paid, or alternatively, by selecting the tax being paid from a drop-down menu.

- The PRN format for PAYE is [PAYE Reference No] [Tax Type] followed by a unique alpha numeric number supplied by SARS. An example of a PRN will be 7000700000LC2013084. Any new submissions of the EMP201 will have the pre-populated PRN format and will be used for the whole period, including any revisions of the EMP201.
- Unfortunately these sort of client-assisted or guided processes are not available on payment options provided by banks (Internet and bank branches). In these instances, clients are required to understand how the PRN is determined and applied to prevent payments from being rejected due to validation errors.
- Clients are required to submit the original return/declaration and a copy of payment to the nearest SARS branch office once the payment has been made on eFiling or at the bank.

3.1 DETERMINING AND USING THE PAYMENT REFERENCE NUMBER (“PRN”)

- SARS is currently in the process of modernising its payment and accounting processes on a tax type by tax type basis in order to simplify the determination and use of the PRN.
- For these tax types, a unique PRN is pre-populated on every request for payment issued by SARS (e.g. statement of account, assessment or return). This 19 digit PRN is used to match the payment to the item (s) appearing on the specific form. Clients are requested to use the PRN appearing on these forms when making payment.
- The PRN number for respective tax types appears on the relevant forms.
- For those tax types where a PRN is not pre-populated on a tax return/declaration, the 19-digit payment reference number must still be manually determined by clients with reference to the tax account, tax type, and tax period as follows.

10 digits	1 digit	8 digits
Tax/duty reference number	Tax/duty type identifier	Tax/duty period being paid - ddmmyyyy

- The 11th digit refers to the tax type and will vary depending on the type of tax the client is paying.
 - The last eight digits refer to the period for which the payment is being made. The date format used is ddmmyyyy. The date used is dependent on the tax/duty type being paid. In most instances taxes are not day specific, and only require that the month and year are specified. In this instance, the first two digits of the date format must be “00”.
 - In the case of “Other Taxes & Levies,” such as Small Business Amnesty payments which are not period-based, the last eight digits represent an account type. In the case of the Small Business Amnesty this is “00000153”.
 - In most instances, separate payments are required if the payment was for different tax types and tax periods to ensure that payments were correctly allocated.
- Please view the table in section 4.3 of this guide for the specific referencing rules to be applied for each of these tax/duty types.
- Unreferenced/partial payments received from clients may be allocated to the oldest debt first, on a First-In-First-Out (FIFO) basis.

3.2 VOLUNTARY DISCLOSURE PROGRAMME

- All proof of payments, in respect of the VDP – refer to GEN-REG-46-G01 – External reference guide – VDP on the SARS website www.sars.gov.za, must be submitted via one of the following methods, to SARS by:

- Posting to the Voluntary Disclosure Unit (VDU);
281 Middel Street
Gramick Office Park
Brooklyn
0181
- Placing in the drop box at a SARS branch, clearly marked “VDP”
- Scanning and e-mailing to vdp@sars.gov.za.

4 PAYMENT OPTIONS AVAILABLE TO SARS CLIENTS

4.1 PAYMENT OPTION 1 – PAYMENT THROUGH EFILING

- eFiling is the free, secure electronic tax return/declaration and payment submission service offered by SARS to eliminate the risks and hassles associated with the submission of manual tax returns/declarations and payments.
- The service offers the web-based capture of certain returns/declarations, as well as facilities for the submission of multiple returns/declarations.
- SARS eFiling also provides far more convenient, reliable and accurate electronic payment facilities.

Note 1: From 12 April 2014 all debit pull transactions are discontinued and only credit push transactions will be accepted on eFiling. Taxpayers are advised to set-up a credit push option or use one of SARS’ alternative methods of payment.

- **Credit push**, which refers to payment transactions that are initiated on eFiling and presented to the payer’s bank as a payment request, pending authorisation. Only once the payer has logged into their banking product (e.g. internet banking profile) and authorised the payment request, will the transaction be regarded as an effected payment. Credit push transactions are irrevocable once approved.
 - This means that the transaction itself is not processed via eFiling but sent to the bank which the payer has listed with SARS under the Banking details information. The taxpayer will then need to log on to their internet banking solution where the transaction from eFiling will be listed. You now have to authorise the payment to SARS as you would any other internet banking payment. On authorisation, the bank will send an immediate confirmation to SARS that payment has been made.
 - The following banks are supported for credit push:
 - ABSA
 - Bidvest Bank
 - Capitec
 - Citibank
 - FNB
 - HSBC
 - Investec
 - Nedbank
 - Standard Chartered Bank
 - Mercantile Bank
 - Al Baraka Bank
 - HBZ Bank LTD
 - SASFIN Bank

Note 2: SASFIN and Albaraka Bank can process payments with maximum limit of R5 million. For payments above R5 million; contact the bank for arrangements to be made.

- eFiling allows payment of the following tax types:
 - Core Taxes

- Employees Tax (PAYE/UIF and/or SDL)
- Value-Added Tax (VAT and/ or Diesel)
- Income Tax (Assessed Tax, Provisional Tax and Administrative Penalties)

- Non-Core Taxes
 - Dividend Withholding Tax
 - Transfer Duty
 - Estate Duty
 - Company Fees
 - Donations Tax
 - Withholding Tax on Royalties
 - Other Mining Leases
 - VAT for Non Registered Vendors
 - Mining Royalties
 - Retirement Fund Tax
 - Turnover Tax
 - Small Business Amnesty
 - Secondary tax on Companies
 - Mineral Royalties
 - Withholding Tax on Interest

- Retirement Fund Tax
 - All payments must be made electronically on eFiling.

- Withholding Tax on Interest (WTI) legislation came into effect on 1 March 2015. WTI agents are required to deduct tax from interest paid to qualifying foreign nationals from this date onwards. Payments to SARS are due by the end of month following the month in which interest was paid.
- Withholding Tax on Interest payments may only be made to SARS via eFiling.
- For more information regarding the Withholding Tax on Interest, refer to the external guide – Declaration of Withholding Tax on Interest via eFiling on the SARS website www.sars.gov.za.

4.2 PAYMENT OPTION 3 – PAYMENTS THROUGH INTERNET BANKING

- Payments can be made directly to SARS using the internet banking services offered by:
 - ABSA
 - Bank of Athens
 - Capitec Bank
 - FNB
 - Habib Bank Zurich (HBZ)
 - HSBC
 - Investec
 - JP Morgan
 - Mercantile
 - Nedbank
 - Standard Bank
 - Citibank

- In order to improve account validation rules, SARS bank account numbers have been replaced with unique beneficiary account IDs. This effectively means that clients and traders will no longer be able to view/add SARS bank account numbers but must instead make use of the bank's preconfigured beneficiary account ID listing to create SARS as a beneficiary.

- The following table lists all the relevant banking institution tax types, beneficiary IDs and date references for the purposes of compiling the old 19-digit payment reference number or new PRN:

Tax types	Tax type indicator	Date format	Beneficiary IDs applicable to listed banks
Mineral and Petroleum Resources Royalties	X	00000155	SARS-OTH
Secondary Company Tax (Applicable to periods prior to 1 April 2012)	S	ddmmyyyy	SARS-WHT
Small Business Amnesty	X	00000153	SARS-OTH
Turnover Tax	P	Unique 19-digit PRN appearing on the relevant payment form (payment allocation is for 3 rd period only)	SARS-PROV
New PRN payment process			
Assessed Tax	Unique 19-digit PRN appearing on the relevant payment form		SARS-ITA
Provisional Tax	Unique 19-digit PRN appearing on the relevant payment form		SARS-PROV
Administrative Penalties	Unique 19-digit PRN appearing on the relevant payment form		SARS-ITA
Employees Taxes	Unique 19-digit PRN appearing on the relevant payment form		SARS-PAYE
VAT and Diesel	Unique 19-digit PRN appearing on the relevant payment form		SARS-VAT
Dividends Tax	Unique 19-digit PRN appearing on the relevant payment form		SARS-WHT

- Without these details, SARS will not be able to recognise the client's tax/duty payment.

4.3 PAYMENT OPTION 4 – BANK PAYMENTS

(AT ONE OF THE RELEVANT BANKING INSTITUTIONS)

- A payment can be made at any of the following banks:
 - ABSA
 - Albaraka Bank Limited
 - Bank of Athens
 - Capitec
 - FNB
 - Habib Bank Zurich (HBZ)
 - HSBC
 - Nedbank
 - Standard Bank
 - Investec
 - Citibank
- All payments can be made at any ABSA, Albaraka Bank Limited, Bank of Athens, Capitec, FNB, Habib Bank Zurich (HBZ), HSBC, Nedbank or Standard Bank branch. Currently APT payments can **only be made at ABSA, FNB, Nedbank and Standard Bank branches, Investec and Citibank.**

- These payments must comply with the same payment referencing requirements used for internet payments in section 4.3.
- Banks require the following information in order to accept and process SARS payments:
 - SARS tax form/payment advice containing the PRN or 19-digit payment reference number to comply with the requirements listed above and the tax type that the depositor intends paying
 - The amount due.
- In order for SARS to process the client's payment in a timely and accurate manner, it is imperative that the correct information is supplied to the bank when making over-the-counter payments. **The bank will reject all payments which do not conform to the payment reference criteria listed above.** Please note that the SARS tax form/payment advice stipulates the information needed to initiate the deposit.
- Banks will no longer accept any cheque payments that exceed the total amount of R500 000 based on a decision taken by the Payments Association of South Africa (PASA), which is the association responsible for managing payments within South Africa, and with the endorsement of the South African Reserve Bank (SARB).
- Banks will also not accept "split cheque" payments i.e. single and full amount of payment divided into two or more simultaneous cheque payments to make up an amount larger than R500 000.

4.4 FOREIGN PAYMENTS

Please note: This payment method should only be used by foreign taxpayers where no other payment options or channels are available e.g. where payments using eFiling, internet banking (EFT) or payment at a bank is not available. Note that if a foreign taxpayer has a South African bank account, this payment method may not be used.

- Payments can be made electronically into the SARS banking account specified below using the standard SWIFT payment method. In accordance with the new beneficiary ID process, use the following beneficiary account ID/account number when paying SARS from outside South Africa:
 - **SARS-FOR-999**
- SARS-FOR-999 must be used as the bank account number when completing a SWIFT 103 message.

SARS PAYMENT RULES – SWIFT MESSAGE EXAMPLE

- The following represents an **example** of a completed **SWIFT 103 message format** utilising the following payment example:

Taxpayer Name	: XYZ (Pty) Ltd, situated in the USA
VAT Tax Reference Number	: 4999999999
Period Payable	: July 2007
Amount Payable	: R 50,374-61
Effective Payment Date	: 20 August 2007
19 digit payment reference provided by SARS)	: 4999999999V00072007 (19-digit reference number (PRN)

- Applying the SARS payment rules, the following tax reference number and banking details should be used:

19 digit payment reference	: 4999999999V00072007
SARS Bank Account / ID	: SARS-FOR-999
Financial Institution	: First National Bank Ltd, SWIFT Address: FIRNZAJJ

- These fields would appear in the SWIFT 103 message as follows:

Message Type 103 fields	Field Descriptions
:20:BAFZMO93001 7737	Issuing (foreign) bank's reference
:23B:CRED	Bank Operation Code
:32A:070820USD50374,61	Value Date, Currency and Settled Amount
:33B:USD50374,61	Currency and Instructed Amount
:50K:/091 969801	Payer Account
XYZ (Pty) Ltd	Payer Name
P0 Box 1234	Payer address
UNITED STATES OF AMERICA	Payer address
:53A:/05002371 3	Sender's Correspondent
:57A:FIRNZAJJ	Beneficiary' banking institution
:59:/SARS-FOR-999	Beneficiary Account Number
SOUTH AFRICAN REVENUE SERVICE	Beneficiary Name
299 BRONKHORST STREET	Beneficiary Address
SOUTH AFRICA	Beneficiary Address
:70:4999999999V00072007	Remittance Information
: 71A:0 U R	Details of Charges
:72:/ACC/FNB CORPORATE	Sender to receiver info - e.g. Branch Details
//RSA	Sender's Reference

- Any queries regarding the completion of the SWIFT 103 message should be directed to First National Bank call centre **08601 FOREX (08601 36739)**.
- **Note** that the above is only an example. When making a payment it is imperative that the correct unique Payment Reference Number (PRN) is quoted to ensure the payment is easily identified and correctly allocated to item(s) in the account. Do not use the PRN provided in the example as it will result in an incorrect and unallocated payment.
- SARS's foreign payments are administered solely by FNB. As in the case of all electronic payments, it is imperative that the correct payment reference information is provided to ensure that payments can be easily identified and correctly allocated upon receipt by SARS. The standard payment rules for electronic payments apply.

5 QUALITY RECORDS

- The following documents will be accepted to allocate payments received

Number	Title
AP34ABC	Penalty status notification
APT217	Revised Assessment
APT217A	New Assessment
APT301	Statement of Account
CDA01	Cancellation of a deferred payment arrangement
DPA01	Approval of deferred payment arrangement
DTRSA	Dividends tax statement of account
DTR02	Dividend tax return
EMP201	Monthly Employer Declaration
EMP501	Employer Reconciliation Declaration
EMPSA	Employer Statement of Account
IRP6	Return for provisional tax
IT56	Return for payment of Secondary Tax on Companies
IT56A	Draft Assessment for payment of Secondary Tax on Companies
ITA34	Tax Assessment
ITSA	Income Tax Statement of Account
MPR2	Payment Advice for Mineral and Petroleum Resources Payments
RFT3(A)	Assessment for tax on retirement funds
RFT94	Demand Notice of outstanding tax on retirement funds
TDREP	Transfer Duty notice of assessment
TT02	Payment Advice for Turnover Tax
VAT201	Vendor declaration
VAT207	Cancellation of deferred payment
VAT213	Acknowledgement of payment (bank details will be printed on this form)
VAT217	Notice of assessment

6 REFERENCES

6.1 LEGISLATION

TYPE OF REFERENCE	REFERENCE
Legislation and rules administered by SARS:	Income Tax Act No 58 of 1962: Section 56 par 1(a)(b), 89, 75B South African Revenue Service Act No. 34 of 1997: Sections 3, 4, 9, 22 and 31 Value-Added Tax Act No 89 of 1991: Sections 27 and 28 Tax Administration Act No 28 of 2011 (effective 1 October 2012): Sections 187, 188 and 189
Other legislation	The Public Finance Management Act No. 1 of 1999: Sections 51 and 55 Treasury Regulations issued in terms of PFMA, 1999: Paragraphs 7.1.1, 7.2.1, 15.4.2, 15.11 and 17.2.3 South African Reserve Bank Act No. 90 of 1989: Section 17 (2)
International instruments	None

6.2 CROSS REFERENCE

DOCUMENT #	DOCUMENT TITLE	APPLICABILITY
GEN-REG-46-G01	External Guide – Voluntary Disclosure Programme	All
WTI-ELEC-01-G01	External Guide – Declaration of Withholding Tax on Interest via eFiling	All

7 DEFINITIONS AND ACRONYMS

Client	Any person or enterprise conducting business with SARS
EFT	Electronic fund transfer
FAQ	Frequently Asked Question
FIFO	First-In-First-Out
FNB	First National Bank
GLB	Gauteng Liquor Board
MPRR	Mineral and Petroleum Resources Royalty
PASA	Payments Association of South Africa
PAYE	Pay-As-You-Earn
PRN	Payment Reference Number
SARB	South African Reserve Bank
SARS	South African Revenue Service
SBA	Small Business Tax Amnesty
SDL	Skills Development Levy
STT	Securities Transfer Tax
SWIFT Message	The Society for Worldwide Inter-bank Financial Telecommunication is an electronic communication method used by banks all over the world to correspond with each other in a secure and standardised way.
TT	Turnover Tax
UIF	Unemployment Insurance Fund
VAT	Value-Added Tax
VDP	Voluntary Disclosure Programme
VDU	Voluntary Disclosure Unit
WTI	Withholding Tax on Interest

8 DOCUMENT MANAGEMENT

Designation	Name / Division
Business owner:	Group Executive: Direct Channels, Business & Individual Tax
Policy owner:	Executive: Governance Compliance - BAIT
Author:	M. Makhushe
Detail of change from previous revision:	Updated with the process details
Template number and revision	POL-TM-07 - Rev 3