South African Revenue Service

INTERPRETATION NOTE 147

DATE: 11 November 2026

ACT : TAX ADMINISTRATION ACT 28 OF 2011
SECTION : SECTION 93(1)(*d*)
SUBJECT : REDUCED ASSESSMENTS: MEANING OF "READILY APPARENT UNDISPUTED ERROR"

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Preamble

In this Note unless the context indicates otherwise –

- **"assessment"** means an assessment as defined in section 1, namely, the determination of the amount of a tax liability or refund, by way of self-assessment by the taxpayer or assessment by SARS;
- **"return"** is defined in section 1 and means a form, declaration, document or other manner of submitting information to SARS that incorporates a self-assessment, is a basis on which an assessment is to be made by SARS or incorporates relevant material required under section 25, 26 or 27 or a provision under a tax Act requiring the submission of a return;
- **"section"** means a section of the TA Act;

- **"TA Act"** means the Tax Administration Act 28 of 2011;
- **"tax Act"** means the TA Act or an Act, or portion of an Act referred to in section 4 of the SARS Act, excluding customs and excise legislation;[1]
- **"taxpayer"** means a "taxpayer" as defined in section 151;
- **"the Act"** means the Income Tax Act 58 of 1962; and
- any other word or expression bears the meaning ascribed to it in the TA Act.

All interpretation notes, forms, and returns referred to in this Note are, available on the SARS website at **www.sars.gov.za**. Unless indicated otherwise, the latest versions of these documents should be consulted.

1. Purpose

This Note provides guidance on the interpretation and application of the phrase "readily apparent undisputed error" referred to in section 93(1)(*d*).

2. Background

To simplify and harmonise tax administration, the TA Act consolidates administrative provisions that are generic to all taxes imposed under the other tax Acts. Although the TA Act is the primary vehicle for tax administration, some other tax Acts contain administrative provisions that are unique to the tax type that they govern or additional to those contained in the TA Act. These Acts, being the primary legislative authority for imposing and administering their respective tax types, have their administrative provisions applied when they explicitly address administration and the TA Act is silent. If these provisions conflict with the TA Act, they take precedence. Conversely, if the other tax Act is silent, the TA Act applies, and if there is no inconsistency, both Acts find application.[2]

If a taxpayer is aggrieved by an assessment that has been issued, the taxpayer has the right to dispute that assessment following the dispute resolution process provided under Chapter 9.[3] An alternative, less formal process, is provided under section 93(1)(*d*) in terms of which a taxpayer can request a reduced assessment.

Section 93(1)(*d*) forms part of the statutory framework governing the correction of assessments. The section offers a limited, less formal remedy, enabling SARS to correct a readily apparent undisputed error in a taxpayer's return or in an assessment. This provision promotes administrative efficiency and fairness by enabling the correction of objective mistakes to be corrected without the need for formal objection and appeal procedures. It also upholds the principle of finality in assessments, preventing the provision from being used to revisit disputed legal or factual matters. This process applies only when there is a readily apparent undisputed error in an assessment by SARS or by the taxpayer in a return.

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1 "Tax Act" is defined in section 1.

2 See section 4 of the TA Act, section 2(2) of the Income Tax Act 58 of 1962, section 4(2) of the Value-Added Tax Act 89 of 1991, and various equivalent provisions of the remainder of the tax Acts.

3 Section 104. A request for correction of an assessment is available for certain categories of taxpayers on the taxpayer's eFiling profile.

Due to the misuse of the process in the past, section 93(1)(*d*) was amended[4] to include the requirement that the error must be "readily apparent" and not just "apparent". The *Memorandum on the Objects of Tax Administration Laws Amendment Bill, 2015,*[5] explains the reason for the amendment as follows:

> "Section 93(1)*(d)* of the Tax Administration Act was inserted to allow taxpayers a less formal mechanism to request corrections to their returns and so reduced assessments, without having to follow the objection and appeal route to do so. However, taxpayers have attempted to use these requests for correction to raise **substantive issues** that would more properly be the subject of an objection under section 104, so as to bypass the timeframes and procedures for an objection. Furthermore, taxpayers and unregistered tax practitioners have also attempted to use the requests for correction to obtain fraudulent refunds for multiple years. For these reasons, the wording has been amended to provide that SARS must be satisfied that there is a ''readily apparent'' error to clarify the nature of the errors anticipated here."

(Emphasis added)

The determination of what constitutes a "readily apparent undisputed error" to the satisfaction of SARS is critical for the following reasons:

- It determines whether the taxpayer is entitled to request a correction for a reduced assessment under section 93(1)(*d*) or whether the taxpayer must follow the objection and appeal route under Chapter 9.
- It ensures consistency in the interpretation and application of section 93(1)(*d*) by both SARS and taxpayers.

Importantly, section 93(1)(*d*) does not replace the dispute resolution process under Chapter 9 but offers a less formal, cost-effective mechanism to resolve undisputed errors that are readily apparent.

Section 93(1)(*d*) can be applied only if all the requirements are met. This Note provides general guidance on the application and interpretation of section 93(1)(*d*). Since it is not possible to define or apply a definite all-embracing test, the facts of each case must be considered.

3. The law

The relevant sections of the TA Act are quoted in the **Annexure**.

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4 Amended by section 49 of the Tax Administration Laws Amendment Act 23 of 2015 with effect from the date of promulgation of that Act, namely, 8 January 2016.

5 At 2.49.

4. Interpretation and application of the law

4.1 Reduced assessments under section 93

A reduced assessment under section 93 may be made in the following circumstances:

- A taxpayer successfully disputes an assessment during the dispute resolution process under Chapter 9.[6]
- It is necessary to give effect to a settlement under Part F of Chapter 9,[7] or is necessary to give effect to a judgment pursuant to an appeal under Part E of Chapter 9 and there is no right of further appeal.[8]
- SARS is satisfied that there is a "readily apparent undisputed error" in the assessment by SARS or the taxpayer in a return.[9]
- A senior SARS official is satisfied that an assessment was based on –
  - the failure to submit a return or the submission of an incorrect return by a third party under section 26 or by an employer under a tax Act,[10]
  - a processing error by SARS;[11] or
  - a return fraudulently submitted by a person not authorised by the taxpayer.[12]
- The taxpayer in respect of whom an estimated assessment has been issued under section 95(1), requests SARS to make a reduced assessment under section 95(6).[13]

Only the requirements of the third bullet above, namely, that SARS is satisfied that there is a "readily apparent undisputed error" in the assessment by SARS or the taxpayer in a return is considered in this Note.

4.2 Remedy under section 93(1)(*d*)

A request for a reduced assessment under section 93(1)(*d*) will be considered only if all the following requirements are met:

- SARS is satisfied;
- there is a readily apparent undisputed error;
- in an assessment by SARS or the taxpayer in a return.

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6 Section 93(1)(*a*).
7 Section 93(1)(*b*).
8 Section 93(1)(*c*).
9 Section 93(1)(*d*).
10 Section 93(1)(*e*)(i).
11 Section 93(1)(*e*)(ii), for example, an assessed loss balance carried forward from the prior year that is not included in the assessment.
12 Section 93(1)(*e*)(iii).
13 Section 93(1)(*f*).

A request for a reduced assessment can either be submitted electronically via eFiling or by manually completing the prescribed form: RRA01 for natural persons, or RRA02 for trusts and companies.[14] A prescribed form that is manually completed, accompanied by all the supporting documentation, may be submitted to a SARS Service Centre. Alternatively, tax practitioners may e-mail the manually completed form to **pcc@sars.gov.za**, while taxpayers not represented by tax practitioners may e-mail it to **contactus@sars.gov.za**. Upon receipt of a taxpayer's written request under section 93(1)(*d*) SARS may –

- accept the request and accordingly issue a reduced assessment;
- request further supporting documentation or motivation to verify the request; or
- reject the request on the basis that the requirements of section 93(1)(*d*) or another applicable provision of a tax Act have not been met, and accordingly notify the taxpayer by providing reasons for the rejection.

If SARS rejects the request, no reduced assessment will be made. The taxpayer will be informed of this decision by letter or notice, including the reasons for not issuing a reduced assessment under section 93(1)(*d*).

A taxpayer whose request for a reduced assessment under section 93(1)(*d*) is rejected may follow the objection and appeal process as provided for under the dispute resolution rules in Chapter 9.

4.2.1 SARS "may" make a reduced assessment

The preamble to section 93(1) states that SARS "may" make a reduced assessment if the requirements of the section are met.

The use of the word "may" in section 93(1)(*d*) indicates that SARS has a discretion to reduce an assessment. This discretion is contingent upon the taxpayer satisfying all the requirements contained in the relevant tax Act and section 93(1)(*d*).

In *Rampersadh and Another v C: SARS and Others,*[15] Gorven J explained the word "may" to mean the following:

> "… the word 'may' does not necessarily give rise to a general discretion. Sometimes it denotes the grant of a power along with a corresponding duty to exercise that power. Van Rooyen approved the approach in line of cases beginning with Schwartz v Schwartz, which held:
>
> > 'A statutory enactment conferring a power in permissive language may nevertheless have to be construed as making it the duty of the person or authority in whom the power is reposed to exercise that power when the conditions prescribed as justifying its exercise have been satisfied. Whether an enactment should be so construed depends on, *inter alia*, the language in which it is couched, the context in which it appears, the general scope and object of the legislation, the nature of the thing empowered to be done and the person or persons for whose benefit the power is to be exercised.' "

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14 The word "company" is defined in section 1(1) of the Act.

15 81 SATC 163 at 172-173, [2018] ZAKZPHC 36.

It is therefore apparent that SARS must reduce an assessment if it is satisfied that all the requirements of section 93(1)(*d*) and any other requirement of the applicable tax Act have been fully met. Once satisfied, SARS may issue a reduced assessment even if the original assessment has not become final.[16]

The onus is on the taxpayer to prove to the satisfaction of SARS that the error or errors fall within the ambit of section 93(1)(*d*).

Example 1 – SARS "may" make a reduced assessment

Facts:

Company A incurred legal expenses of a capital nature during its 2025 year of assessment. Company A added this expense back as a non-deductible expense when completing its ITR 14 return on eFiling. On assessment, Company A discovered that SARS also added back the same legal expense. Company A submitted an RRA02 form to request a reduced assessment under section 93(1)(*d*) with detailed reasons and supporting documentation confirming that the legal expense had already been added back in its tax computation.

Result:

SARS "may" make a reduced assessment if it is satisfied that the error is readily apparent and undisputed.[17] As the detailed reasons and supporting documentation provided by Company A clearly indicated that Company A had already added back the legal expense in its tax computation, provided no other requirement of a tax Act prevents it, SARS is obliged to make a reduced assessment to reflect the correct tax liability.

4.2.2 SARS must be "satisfied"

The first requirement of section 93(1)(*d*) is that SARS must be "satisfied" that there is a readily apparent undisputed error. The word "satisfied" must be interpreted according to the ordinary meaning as applied to the subject matter in relation to which it is used[18] unless the ordinary meaning creates an absurdity or ambiguity. It is important when giving words and expressions their ordinary meaning, to consider the context in which such words or expressions are used.[19]

The word "satisfied"[20] is defined in *Dictionary.com* as follows:

"1. Content: *a satisfied look*.

2. …;

3. convinced, as in an argument."

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16 See section 100 for finality of an assessment.

17 Section 93(1)(*d*).

18 See Kellaway, EA (1995). *Principles of legal interpretation of statutes, contracts and wills* (p. 224). Butterworths. See also *Natal Joint Municipal Pension Fund v Endumeni Municipality* 2012 (4) SA 593 (SCA).

19 See *Natal Joint Municipal Pension Fund v Endumeni Municipality* [2012] 2 All SA 262 (SCA) at 18 and *Chisuse and others v Director-General, Department of Home Affairs and another* 2020 (6) SA 14 (CC) at 47.

20 **www.dictionary.com/browse/satisfied** [Accessed 11 November 2026].

In *Rampersadh and Another v C: SARS and Others,*[21] Gorven J explained the legal position under section 93(1)(*d*) as follows:

> "Only if SARS is satisfied that there is a readily apparent undisputed error may it reduce the assessment. The first hurdle for the applicants to surmount is to show that the claimed errors were in fact readily apparent and undisputed. Only then can it be contended that SARS should have been so satisfied."[22]

In *Wingate-Pearse v C: SARS and Others*[23] SARS issued additional estimated income tax assessments under section 78 read with section 79(1) of the Act, before it was replaced by section 95 read with sections 92 and 99 of the TA Act. Section 79(1) empowered SARS to make an additional assessment if it is "satisfied" that the assessment does not reflect the correct application of a tax Act to the prejudice of SARS and that this was due to fraud, misrepresentation, or non-disclosure. Meyer J held the following: [24]

> "Although the words 'is satisfied' used in section 79(1) of the Income Tax Act – and now in section 92 read with section 99(1) and (2) of the Tax Administration Act – confer a subjective discretion on SARS, I accept that the discretion is not unfettered, and an objective approach must be adopted to that subjective discretion. SARS, therefore, must show that its subjective satisfaction was based on reasonable grounds."

In *Bato Star Fishing (Pty) Ltd v Minister of Environmental Affairs and Tourism and Others*[25] O' Regan J explained what will constitute a reasonable decision as follows:

> "What will constitute a reasonable decision will depend on the circumstances of each case, much as what will constitute a fair procedure will depend on the circumstances of each case. Factors relevant to determining whether a decision is reasonable or not will include the nature of the decision, the identity and expertise of the decision-maker, the range of factors relevant to the decision, the reasons given for the decision, the nature of the competing interests involved and the impact of the decision on the lives and well-being of those affected."

Example 2 – SARS must be "satisfied"

Facts:

Company B submitted its annual income tax return on eFiling and was issued with a notice of assessment. A week later Company B noticed that expenses relating to short-term insurance for its business operations were incorrectly added back as a non-deductible expense in the tax return. Company B submitted an RRA02 request under section 93(1)(*d*) explaining in detail the reason for the error and supported the submission with the relevant documentation substantiating that the expense incurred was disallowed as a deduction.

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21 81 SATC 163, [2018] ZAKZPHC 36.
22 At 26 in 173.
23 [2019] 4 All SA 601 (GJ).
24 At 61 in 624-625.
25 2004 (4) SA 490 (CC) at 45 in 513.

Result:

SARS may make a reduced assessment if it is "satisfied" that the error is readily apparent and undisputed provided no other requirement of a tax Act prevents it from doing so. Based on the detailed submission and supporting documentation received, it was clear to SARS that the insurance expense was incorrectly added back as a non–deductible expense in the tax return. The requirement under section 93(1)(*d*) that SARS must be "satisfied" will therefore be met.

4.2.3 Meaning of the phrase "readily apparent undisputed error"

The second requirement for the application of section 93(1)(*d*) is that there must be a readily apparent undisputed error, either in an assessment by SARS or in a return by the taxpayer. The cause of the error can therefore be SARS in making the assessment or the taxpayer in completing the return.

(a) Readily apparent

Owing to the misuse of section 93(1)(*d*), the provision was amended to include the words "readily apparent" to the phrase "undisputed error".[26] The nature of the error therefore has to be "readily apparent" and not just "undisputed". The words "readily apparent" are not defined in the TA Act and must therefore be interpreted according to their ordinary meaning as applied to the subject matter with regard to which it is used.[27] The ordinary meaning of the words "readily" and "apparent" are respectively defined in *Dictionary.com* as follows:

Readily[28]

"1. promptly; quickly; easily 2. in a ready manner; willingly."

Apparent[29]

"1. readily seen; exposed to sight; open to view; visible

2. capable of being easily perceived or understood; plain or clear; obvious."

The ordinary meaning of the words "readily apparent" suggests that the error must be clearly or easily visible, must be identified without difficulty and such an error must either be in the return or the assessment. It is accepted that a simple face-value verification may be required.

When considering the request and the relevant supporting documents, SARS must determine if the error can be verified through reasonable administrative measures. An error may be deemed "readily apparent" if SARS can confirm its existence and quantum by verifying the documentation provided by the taxpayer, performing simple arithmetical checks, or comparing information with objective source documents such as IT3(b) certificates or prior assessments. Conversely, an error may not be "readily apparent" if further verification would require a more detailed investigation, the

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26 Amended by section 49 of the Tax Administration Laws Amendment Act 23 of 2015 with effect from the date of promulgation of that Act, namely, 8 January 2016.

27 Kellaway, EA (1995). *Principles of legal interpretation of statutes, contracts and wills* (p. 224). Butterworths.

28 **www.dictionary.com/browse/readily** [Accessed 11 November 2026].

29 **www.dictionary.com/browse/apparent** [Accessed 11 November 2026].

resolution of factual disputes, the interpretation of contractual or statutory provisions, or a review of voluminous documentation.

Example 3 – Readily apparent

Facts:

C visited a SARS Service Centre for assistance to complete the annual income tax return on eFiling. C provided the SARS official with all relevant documentation required for completion of the return. The SARS official completed and submitted the return on behalf of C after C confirmed it to be full and true. C received the notice of assessment and discovered an inconsistency between the amount of a deduction allowed in the notice of assessment and the supporting medical tax certificate for out-of-pocket medical expenses. The inconsistency being that the notice of assessment reflected out-of-pocket medical expenses of R5 000 whereas the amount on the supporting medical tax certificate was R50 000. C, being of the opinion that an error had occurred when completing the return, and that it was readily apparent, submitted an RRA01 request under section 93(1)(*d*) with supporting documentation to verify the out-of-pocket medical expenses (invoices and proof of payment of R50 000 in the year of assessment) to SARS, requesting a reduced assessment.

Result:

One of the requirements under section 93(1)(*d*) is that the undisputed error must be "readily apparent" in the return by the taxpayer or the assessment by SARS. In this case, the error occurred in the return when it was declared to be full and true. The undisputed error is "readily apparent" when comparing the supporting documentation to the said return. As the undisputed error can be confirmed without hesitation, it can be concluded that the undisputed error satisfies the requirement of being readily apparent.

Example 4 – Voluminous supporting documentation submitted

Facts:

Company D rents out a variety of highly specialised industrial machinery. The write-off period for purposes of the section 11(*e*) wear-and-tear allowance under the Act of each machine varies, depending on its classification under the Annexure in Interpretation Note 47.[30] After reviewing the notice of assessment for the 2024 year of assessment, Company D realised that a category of machinery (consisting of a large number of machines) had been incorrectly classified. As a result of the incorrect classification, the wear-and-tear allowance on these machines was understated. Company D submitted an RRA02 request via eFiling for a reduced assessment under section 93(1)(*d*). Adjusting journal entries, the revised fixed asset register and invoice purchases for assets incorrectly classified were submitted by Company D to substantiate its request for a reduced assessment.

[30] Annexure to Interpretation Note 47 "Wear-and-Tear or Depreciation Allowance".

Result:

On review of the request and relevant supporting information and documentation, SARS must be able to easily determine that there is a "readily apparent" and "undisputed error"[31] either, in the return by the taxpayer or the assessment by SARS. Company D provided a large volume of documentation to substantiate the understatement of the wear-and-tear allowance. Due to the substantial degree of verification required to confirm the correct classification of each asset and the number of assets involved (not a face-value action),[32] the error was not regarded as "readily apparent". Accordingly, the request under section 93(1)(*d*) was rejected and the taxpayer notified of SARS decision and the reasons for the rejection.

(b) Undisputed

It is not sufficient that there is only a readily apparent error, the error must also be undisputed. The word "undisputed" is not defined in the TA Act and therefore the ordinary meaning as applied to the subject matter with regard to which it is used[33] must be applied. The *Dictionary.com* defines "undisputed" as follows: [34]

> "1. Not *challenged or questioned*; accepted: of undisputed importance."

The error must, therefore, not be questioned or challenged and must be accepted by SARS. An error may be undisputed if the facts submitted by the taxpayer are proven to be correct but may, at the same time not be "readily apparent" since to prove the error may require an extensive verification as demonstrated in Example 4 or a proper examination. The confirmation of the error should require no more than a simple face-value verification and not involve the verification or examination of voluminous supporting documents or require the interpretation of complex statutory provisions, a contract, or a tax treaty. In the event that voluminous data is required to be verified or examined to confirm the error, including its quantum, or there is a factual dispute relating to the error, the request will be disqualified under section 93(1)(*d*). The facts of each case will be considered.

Factual undisputed errors are by their nature objective and if readily apparent, may well fall within the ambit of section 93(1)(*d*). Such an error made by SARS in an assessment or by the taxpayer in a return provides SARS with the option to make a reduced assessment even though no objection has been lodged or appeal noted by the taxpayer.[35]

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31 Section 93(1)(*d*).

32 Section 11(e) read with the Annexure to Interpretation Note 47 "Wear-and-Tear or Depreciation Allowance".

33 Kellaway, EA (1995). *Principles of legal interpretation of statutes, contracts and wills* (p. 224). Butterworths.

34 **www.dictionary.com/browse/undisputed** [Accessed 11 November 2026].

35 Section 93(2) read with section 93(1)(*d*).

Example 5 – An "undisputed" error by the taxpayer in a return

Facts:

E, a sole proprietor, sells vintage cars. In the annual income tax return submitted, E included a capital gain arising from the disposal of a vintage car which was used for private purposes and not a business asset. E was unaware that the vintage car is regarded as a personal-use asset since it was used for a purpose other than carrying on of a trade and thus did not form part of the trading stock of the trading activity. Capital gains arising under these circumstances should have been disregarded.[36] This error was discovered three months after the assessment was issued. E submitted an RRA01 request for a reduced assessment under section 93(1)(*d*). E provided reasons why the vintage car is a personal-use asset but did not submit any documentary proof to substantiate the claim.

Result:

Section 93(1)(*d*) requires that the error must not only be readily apparent but must also be "undisputed". In this case, SARS may request the necessary documentary proof to substantiate the request. Should SARS be satisfied on a simple face-value verification of the documentation provided that the error satisfies the requirement of being "undisputed", the request under section 93(1)(*d*) may be granted provided no other requirement of a tax Act prevents it from doing so.

(c) Error

Section 93(1)(*d*) has a limited application in that it applies only to "errors" in an assessment by SARS or an error in a return by a taxpayer.[37] The word "error" is not defined in the TA Act and must therefore be given its ordinary meaning as applied to the subject matter with regard to which it is used.[38] The word "error" is defined in the *Dictionary.com* as –[39]

> "1. A deviation from accuracy or correctness; a mistake as in action or speech."

This means that if a mistake is made by a taxpayer in a return or by SARS in an assessment and this mistake is readily apparent and undisputed, a taxpayer may submit a written request substantiating the reasons for a reduced assessment which must be accompanied by supporting documentation where necessary.

For the purposes of section 93(1)(*d*), an "error" may be either a "commission" or an "omission". An error of "commission" and an error of "omission" are, respectively, defined in the *Cambridge Dictionary* as follows:

Commission[40]

> "[A] mistake that consists of doing something wrong, such as including a wrong amount, or including an amount in the wrong place."

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36 Paragraph 53(2) of the Eighth Schedule to the Act.

37 A processing error by SARS falls within the scope of section 93(1)(*e*)(ii).

38 Kellaway, EA (1995). *Principles of legal interpretation of statutes, contracts and wills* (p. 224). Butterworths.

39 **www.dictionary.com/browse/error** [Accessed 11 November 2026].

40 **www.dictionary.cambridge.org/dictionary/english/error-of-commission** [Accessed 11 November 2026].

Omission[41]

> "[A] mistake that consists of not doing something you should have done or not including something such as an amount or fact that should be included."

An error by a taxpayer in a return must be interpreted to include an error that originates in the records that are used to complete the return. However, whether made in the return or arising from accounting or tax records, the error must be readily apparent and undisputed and must require only a face-value verification to confirm the error and its quantum to qualify under section 93(1)(*d*) as being a "readily apparent undisputed error". The facts and circumstances of each request will be considered to determine if the requirements of section 93(1)(*d*) have been met.

Example 6 – An "omission" in a return

Facts:

Company F submitted its ITR14 income tax return electronically to SARS via eFiling. In completing the return, Company F did not request the line item for expenditure incurred relating to international travel. After reviewing the original income tax assessment for the relevant year of assessment Company F realised that a deduction for international travel was not claimed. Company F submitted an RRA02 request for a reduced assessment under section 93(1)(*d*) via eFiling accompanied with the necessary documentation to substantiate the deduction.

Result:

One of the requirements of section 93(1)(*d*) is that there must be an "error" either in the assessment by SARS or the taxpayer in a return. When completing its ITR14 tax return, Company F omitted a request for the line item to deduct international expenditure incurred and consequently omitted such a deduction in total. An omission falls within the definition of an "error" for purposes of section 93(1)(*d*) and accordingly, the request under section 93(1)(*d*) may be considered by SARS provided no other requirement of a tax Act prevents it from doing so.

While section 93(1)(*d*) enables SARS to make a reduced assessment when a taxpayer has submitted a return containing an error, this provision is not applicable to retrospectively adjusting returns for previous tax periods if, for example, a contract is cancelled in a future tax period. The cancellation of a contract in a future tax period does not constitute an error and consequently will not trigger section 93(1)(*d*) for such returns relating to previous tax periods. The taxpayer may follow the dispute resolution process provided under Chapter 9 of the TA Act.

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41 **www.dictionary.cambridge.org/dictionary/english/error-of-omission** [Accessed 11 November 2026].

Example 7 – A "readily apparent undisputed error"

Facts:

G submitted an income tax return and claimed a deduction under section 18A of the Act for a donation made to an approved Public Benefit Organisation (PBO) in the amount of R500, based on the receipt that was issued by the PBO.[42] It later transpired that the receipt issued by the PBO was incorrect as the amount should have been R5 000 and not R500. The error was corrected by the PBO and a new receipt was issued to correctly reflect the amount of R5 000 as a donation. G submitted an RRA01 request with reasons for a reduced assessment under section 93(1)(*d*). The request was accompanied with the reissued receipt reflecting the correct amount of R5 000.

Result:

Section 93(1)(*d*) requires that a readily apparent undisputed "error" be made either by the taxpayer in a return or by SARS in an assessment. The reissued receipt provided by G indicates that on the income tax return the incorrect amount was included. A request for a reduced assessment under section 93(1)(*d*) may be considered by SARS provided no other requirement of a tax Act prevents it from doing so.

The terms "readily apparent" and "undisputed error" cannot be separated. If it is not readily apparent that there is an undisputed error, SARS cannot make a reduced assessment. It is not sufficient that the error is undisputed.

4.3 Limitations on issuance of assessments under section 93(1)(*d*)

Section 99 provides for limitations on the issuance of assessments. Section 99(2)(*d*)(iii) provides specifically that if **SARS becomes aware of the error in section 93(1)(*d*) before** the expiry of the period for assessment as provided for in section 99(1), SARS can still make a reduced assessment based on a readily apparent undisputed error after the period has expired.

SARS is deemed to have become aware of an error when a taxpayer submits a written request[43] under section 93(1)(*d*), accompanied by supporting documentation, before the assessment prescribes under section 99(1). If SARS receives a qualifying request before prescription, its power to issue a reduced assessment under section 99(2)(*d*)(iii) is preserved, irrespective of when SARS completes its review.

It is thus a factual enquiry to determine the exact date on which SARS became aware of the error.[44] The awareness by SARS will depend on the specific circumstances surrounding the request of each case. A taxpayer will still have to satisfy SARS of all the requirements of section 93(1)(*d*) before a reduced assessment may be made.

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42 Section 18A(2) of the Act.

43 The written submission can be made through eFiling or manually.

44 Section 93(1)(*d*) read with section 99(1) and 99(2)(*d*)(iii).

When determining the date of prescription, the civil method of calculating the period for prescription must be applied. The Constitutional Court in *Ex parte*: *Minister of Social Development and Others*[45] stated the following:

> "This Court has as yet not considered the computation of time or time periods. The general common-law rule is that, in the calculation of time the civilian method is applicable, unless a period of days is prescribed by law or contracting parties intended another method to be used. According to the civil computation method, a period of time expressed in months expires at the end of the day preceding the corresponding calendar day in the subsequent month. It is settled law that the commencement of a period of time in curial calculation is governed by the ordinary civilian method where any unit of time other than days is used."

For example, an original assessment issued by SARS on 20 August 2023 will prescribe at the end of the day on 19 August 2026.[46]

Example 8 – Section 93(1)(*d*) request for a reduced assessment received before the period of limitations for issuance of assessment applies

Facts:

The annual income tax return of H for the 2021 year of assessment was assessed on 30 March 2022 and a notice of assessment was issued and received on the same date. H discovered on 29 March 2025 that an amount of R30 000 was incorrectly included in the income tax return as taxable income instead of exempt income. On the same day H submitted an RRA01 through eFiling with reasons requesting a reduced assessment under section 93(1)(*d*) with the relevant supporting documentation, to substantiate that the income is not taxable, thus leading to a readily apparent undisputed error. SARS acknowledged receipt of the request on that same day. After reviewing the facts on 10 April 2025, SARS was satisfied that the taxpayer had made a readily apparent undisputed error.

Result:

The assessment made by SARS on 30 March 2022 for the 2021 year of assessment is an original assessment. Under section 99(1)(*a*) an assessment may not be made more than three years after the date of an original assessment. The three-year period elapsed at midnight on 29 March 2025. Although the reduced assessment will be issued more than three years after the date of the original assessment, its issue by SARS is authorised under section 99(2)(*d*)(iii) as SARS became aware of the error before the expiry of the period stipulated in section 99(1).

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45 2006 (4) SA 309 (CC) at 24.

46 Under section 99(1)(*a*), an assessment prescribes three years after the date of assessment of an original assessment by SARS. In the case of self-assessments, the assessment prescribes after five years following the date of the original assessment [section 99(1)(*b*)].

4.4 Burden of proof under section 102(1)

Save for two instances,[47] the burden of proof under section 102(1) must be discharged by a taxpayer since the assessment is essentially based on the facts submitted by the taxpayer in the return.

The requirements under section 93(1)(*d)* dictate that when a taxpayer submits a request for a reduced assessment, the burden of proof must be discharged by the taxpayer by substantiating such a request. The taxpayer thus needs to satisfy SARS, based on supporting documentary proof, that all the requirements of section 93(1)(*d*) are fully met.

Section 102 does not establish a unique evidentiary standard. Instead, the ordinary civil standard of proof applies. This position has been consistently affirmed by the Tax Court. A taxpayer discharges this onus when the taxpayer's version of events is more probable than not, when weighed against the opposing version.

In *GB Mining and Exploration SA (Pty) Ltd v Commissioner for the South African Revenue Service*[48] Swain AJA laid down the following guidelines to discharge the burden of proof in relation to reduced assessments under section 79A of the Act, the forerunner to section 93:

> "To discharge this burden of proof the taxpayer must place information before the Commissioner to substantiate the error relied upon. The taxpayer accordingly bears the onus of satisfying the Commissioner that the information furnished is incorrect and that a reduction in the assessment is justified. In order to do this, additional evidence would have to be placed before the Commissioner.*"*

In *Rampersadh and Another v C: SARS and Others*,[49] Gorven J explained the legal position under section 93(1)(*d*) as follows:

> "Only if SARS is satisfied that there is a readily apparent undisputed error may it reduce the assessment. The first hurdle for the applicants to surmount is to show that the claimed errors were in fact readily apparent and undisputed. Only then can it be contended that SARS should have been so satisfied."[50]

Gorven J held that a taxpayer bears the onus to show that there is a readily apparent undisputed error. Based on the facts of that case, he held as follows:

> "It cannot by any stretch of the imagination be held that the applicants showed that the claimed errors were in fact errors. They certainly did not show that the claimed errors were not disputed on reasonable grounds. None of the claimed errors was specifically identified in the third request. None were even clearly pointed to in this application. The 'errors' contended for by the applicants were disputed to be errors by SARS in the answering affidavit. The basis of the disputes was not challenged in reply."[51]

This judgment emphasises that the taxpayer must discharge the burden of proof when a request for a reduced assessment is lodged with SARS.

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47 "The burden of proving whether an estimate under section 95 is reasonable or the facts on which SARS based the imposition of an understatement penalty under Chapter 16, is upon SARS."

48 2015 (4) SA 605 (SCA), 76 SATC 347 at 22 in 358.

49 81 SATC 163, [2018] ZAKZPHC 36.

50 At 26 in 173.

51 At 31 in 174.

Under the trite constitutional requirements relating to fair administrative justice, SARS will be required to provide a taxpayer with reasons for the refusal of their request under section 93(1)(*d*).

In *C: SARS v Sprigg Investment 117 CC t/a Global Investment*[52] the Supreme Court of Appeal considered what proper or adequate reasons mean. Maya JA agreed with the following views expressed in previous judgments of the Court:

> "[T]he judgment of this Court in *Minister of Environmental Affairs & Tourism & others v Phambili Fisheries* (*Pty*) *Ltd & another* which endorsed the standard for what constitutes 'adequate reasons' laid down by the Federal Court of Australia in *Ansett Transport Industries* (*Operations*) *Pty Ltd & another v Wraith & others* as follows:
>
> > '[T]he decision-maker [must] explain his decision in a way which will enable a person aggrieved to say, in effect:
> >
> > > "Even though I may not agree with it, I now understand why the decision went against me. I am now in a position to decide whether that decision has involved an unwarranted finding of fact, or an error of law, which is worth challenging." '
>
> This requires that the decision-maker should set out his understanding of the relevant law, any findings of fact on which his conclusions depend (especially if those facts have been in dispute), and the reasoning processes which led him to those conclusions. He should do so in clear and unambiguous language, not in vague generalities or the formal language of legislation. The appropriate length of the statement covering such matters will depend upon considerations such as the nature and importance of the decision, its complexity and the time available to formulate the statement. Often those factors may suggest a brief statement of one or two pages only."

5. Conclusion

Section 93(1)(*d*) provides for a taxpayer to request SARS to reduce an assessment without having to follow the normal objection and appeal process provided for under the dispute resolution rules in Chapter 9. Section 93(1)(*d*) must not be regarded as an alternative for formal disputes where a taxpayer has exceeded the prescribed periods for objection and appeal. SARS will consider this request only if all the requirements of section 93(1)(*d*) are met.

A taxpayer requesting a reduced assessment under section 93(1)(*d*) must satisfy SARS that –

- an error was made in an assessment by SARS or a taxpayer in a return;
- the error must be readily apparent; and
- the error must be undisputed.

It is a factual enquiry whether the requirements of section 93(1)(*d*) are met having regard to the facts of a specific case and it is therefore not possible to provide a definite all-embracing test to apply. The taxpayer bears the burden of proof to satisfy SARS that a readily apparent undisputed error was made by SARS in an assessment or a taxpayer in a return.[53]

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52 2011 (4) SA 551 (SCA), 73 SATC 114 at 12 in 120.

53 Section 102(1).

Annexure – The law

Section 93(1)(*d*) – Reduced assessments

(1) SARS may make a reduced assessment if—

(*d*) SARS is satisfied that there is a readily apparent undisputed error in the assessment by—

(i) SARS; or

(ii) the taxpayer in a return;

Section 99(2)(*d*)(iii) – Period of limitations for issuance of assessments

(2) Subsection (1) does not apply to the extent that—

(*d*) it is necessary to give effect to—

(iii) an assessment referred to in section 93(1)(*d*) if SARS becomes aware of the error referred to in that subsection before the expiry of the period for the assessment under subsection (1);

(e) SARS receives a request for a reduced assessment under section 93(1)(*e*).

Section 102 – Burden of proof

(1) A taxpayer bears the burden of proving—

(*a*) that an amount, transaction, event or item is exempt or otherwise not taxable;

(*b*) that an amount or item is deductible or may be set off;

(*c*) the rate of tax applicable to a transaction, event, item or class of taxpayer;

(*d*) that an amount qualifies as a reduction of tax payable;

(*e*) that a valuation is correct; or

(*f*) whether a 'decision' that is subject to objection and appeal under a tax Act, is incorrect.