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SOUTH AFRICAN REVENUE SERVICE

No.

2026

**INFORMATION TO BE CONTAINED IN A PRELIMINARY DTA ADVANCE PRICING AGREEMENT
IN TERMS OF SECTION 76J(3) OF THE INCOME TAX ACT, 1962 (ACT NO. 58 OF 1962)**

In terms of section 76J(3) of the Income Tax Act, 1962, I, Edward Christian Kieswetter, Commissioner for the South African Revenue Service, hereby prescribe in the attached Schedule, the information to be contained in a preliminary DTA advance pricing agreement under that section.

**E C KIESWETTER
COMMISSIONER: SOUTH AFRICAN REVENUE SERVICE**

Schedule

1. General

Any term or expression in this notice to which a meaning has been assigned in a “tax Act” as defined in section 1 of the Tax Administration Act, 2011 (Act No. 28 of 2011), has the meaning so assigned, unless the context indicates otherwise.

2. Information to be contained in a preliminary DTA advance pricing agreement

- 2.1 The legal names, e-mail addresses, postal addresses, physical addresses, and countries of residence of the parties to the DTA advance pricing agreement.
- 2.2 The contact details of the competent authorities that are party to the agreement.
- 2.3 The date the application for the DTA advance pricing agreement was filed.
- 2.4 A definition of each of the key terms in the DTA advance pricing agreement.
- 2.5 The primary business activities of the applicant.
- 2.6 Background to the affected transaction, including a summary of the applicant's business and functional analysis.
- 2.7 The organisational structure of the applicant in relation to the other affected parties and their organisational structures.
- 2.8 The latest financial information available, including unaudited annual financial statements to the extent the applicant represents that the annual financial statements give an accurate view of an affected transaction in the DTA advance pricing agreement.
- 2.9 The applicable accounting standards on which the applicant's annual financial statements are based.
- 2.10 The currency in which an affected transaction is calculated, expressed and paid.
- 2.11 An affected transaction that will form part of the DTA advance pricing agreement, with the following information in respect of each affected transaction—
 - 2.11.1 the applicable critical assumptions;
 - 2.11.2 the quantum;
 - 2.11.3 the most appropriate transfer pricing method;
 - 2.11.4 the selection of comparables;
 - 2.11.5 the arm's length transfer price;
 - 2.11.6 the arm's length allocation; and
 - 2.11.7 the adjustments, where necessary.
- 2.12 The duration of the DTA advance pricing agreement but not exceeding the periods specified in sections 76K(5), 76K(6) and section 76M(3) of the Income Tax Act.
- 2.13 The date on which the compliance report must be submitted.

- 2.14 Where section 76K(6) is applicable, an undertaking by the applicant to submit to SARS within 21 days after the finalisation of the DTA advance pricing agreement, the appropriate amended income tax return applying the transfer pricing methodology in terms of the DTA advance pricing agreement.
- 2.15 Any other information that SARS may consider to be relevant for purposes of the DTA advance pricing agreement.

3. Commencement

This Notice will apply to all applications received on or after the date of publication of this Notice in the *Government Gazette*.