

# Simplified Income Tax Registration & Company Owned by Institution, board or body Application Checklist

This checklist guides you through the required supporting documents for income tax registration and Company Wholly Owned by Institution, board or body application, tailored to your legal entity.



Below is a quick checklist to see if an applying entity meets the upfront requirements to be able to apply for Income Tax Exemption and Company Owned by Institution, board or body:

1. Allowable Legal Entity Types:

- a. A Private Company registered with the CIPC

2. The Company Owned by Institution, board or body must ensure they first meet the following basic requirements (not full list): \*

- a. All the shares in the Company (100%) must be owned by one or more Institutions, Boards, or Bodies established by or under any law, which themselves have been approved by SARS as Exempt Institutions (Eis).
- b. The operations of the Company must be ancillary or complimentary to the objectives of the parent Institution(s), Board(s) or Bodie(s).
- c. Submit a founding document which contains the following requirements:
  - i. Prohibition to distribute any amounts other to the shareholders of the company,
  - ii. Prohibition to utilise funds other than for investment or in the furtherance of its objectives,
  - iii. On dissolution, is required to transfer assets to any Institution, Board or Body established by or under any law and has been approved as an EI, or the State.

## Legal Entity Income Tax Registration

The Company Owned by Institution, board or body status has specific Income Tax registration processes. This includes having its own supporting documents required when registering for Income Tax.

The following sets out the process and required supporting documents.

The requestor must be the Registered Representative or have a Power of Attorney providing a mandate (with a certified and legible copy of the requester's certified identification document)

## Process and Supporting Documents

1. Companies registered with CIPC are automatically registered for Income Tax.
2. The Income Tax reference number appears on the CIPC registration document (CoR14.3).
3. A Registered Representative must be appointed within 21 business days and registered with SARS as the Company's Registered Representative.
4. SARS requires the following supporting documents (not older than 3 months) upon activation of the Company's Income Tax Reference number. The Founding Document type is dependent on the type of NPC registered with CIPC:
  - a. CoR 14.1 – Notice of Incorporation
  - b. This is the official registration document issued by CIPC, confirming the creation of the company.
  - c. CoR 14.3 – Registration Certificate – Indicates the current directors and provides the company's enterprise information as per CIPC records.
  - d. Memorandum of Incorporation (MOI) – A founding document required by CIPC. It can be the standard MOI (CoR 15.1A) or a custom MOI, setting out the rules governing the company's operations and structure.
  - e. Resolution by the Board of Directors – An official resolution appointing a Registered Representative who will act on behalf of the company.
  - f. Certified copy of the Registered Representative's ID – The copy must be clear and legible.
  - g. Letter of Appointment (Registered Representative). Alternatively, a Power of Attorney providing a once-off mandate, together with a certified copy of the appointee's identification document.
  - h. Proof of physical address for the company.
  - i. Acceptable documents include a recent utility bill, lease agreement, or official correspondence, not older than 3 months.
  - j. Proof of residential address for the Registered Representative.

## Company Owned by Institution, board or body Application

### Generic Supporting Documents

1. Memorandum of Incorporation must:
  - a. Set out the objectives of the Company, clearly indicating its primary and additional objectives.
  - b. Include the requirements as set out above.
2. Certified and legible copies of identification (ID document or passport and country of issue) for all unconnected fiduciary responsible persons (physical address, contact number and e-mail address must also be provided on the RAVTEI).
3. An explanation of the entity's objectives and the activities undertaken (if not completed on the RAVTEI application form or if additional information is available).
4. Annual Financial Statements.
5. Confirmation of bank account in the name of the entity (stamped or eStamped confirmation letter or bank statement).

**Please note: If the company's founding document does not meet the legislative requirements at the time of considering the application, the application may be rejected.**



### Amendments to the SARS Registered Details

1. Updated MOI which has been lodged with CIPC.