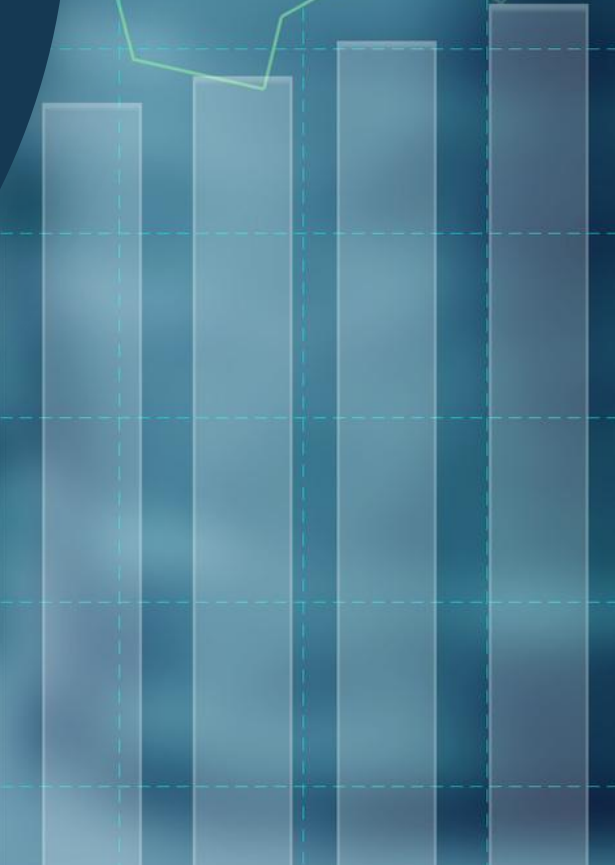
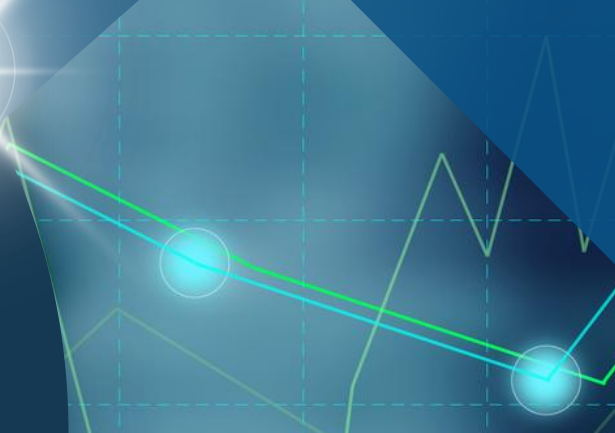
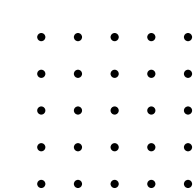
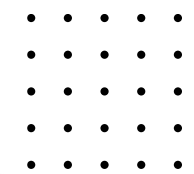


Simplified Income Tax Registration & Small Business Funding Entity Application Checklist

This checklist guides you through the required supporting documents for income tax registration and Small Business Funding Entity (SBFE) application, tailored to your legal entity and entity activities.



Below is a quick checklist to see if an applying entity meets the upfront requirements to be able to apply for Income Tax Exemption as a Small Business (SBFE):

1. Allowable Legal Entity Types:

- a. Non-Profit Company (NPC) incorporated or established in South Africa.
- b. Trust (Inter-vivos)
- c. Association of Persons (Voluntary Association)

2. The SBFE must ensure they first meet the following basic requirements (not full list): *

- a. The sole or principal object of a SBFE must be the provision of funding for Small, Medium or Micro Enterprises (SMMEs)
- b. The SBFE must be managed by a committee or board of at least three natural persons, the majority of whom must be unconnected persons. No single person may directly or indirectly control decision-making.
- c. Funders may not control more than 50% of the governing body.
- d. The SBFE is required to utilise substantially the whole of its funds for its sole or principal object for which it has been established.
- e. Substantially the whole of the activities of the SBFE must be directed to the furtherance of the sole or principal object of that small business funding entity.

Non-Profit Companies (NPCs) – Process and Supporting Documents

Legal Entity Income Tax Registration

Each legal entity type eligible to apply as a Small Business Funding Entity (SBFE) has a distinct Income Tax registration process with specific supporting documents.

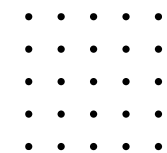
The following outlines the process and required documents for each qualifying entity type.

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).

1. Non-Profit Companies (NPCs) 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 NPC's Registered Representative.
4. SARS requires the following supporting documents (not older than 3 months) upon activation of the NPC'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. CoR14.3 (Registration Certificate) which indicates the active directors and enterprise information
 - c. NPC with members - CoR 15.1 (MOI) – Memorandum of Incorporation
 - d. NPC without members - CoR 15.1C – Standard MOI for NPC without members or CoR 15.1C – Standard MOI for NPC without members or CoR 15.1D – Long-form MOI for NPC without members
 - e. Custom MOI – Manually drafted (often used for PBO / 18A)
 - f. Resolution by the Board of Directors appointing a Registered Representative
 - g. Certified and legible / clear ID copy of the Registered Representative
 - h. Letter of Appointment (Registered Representative or a Power of Attorney providing a once-off mandate (with a certified and legible copy of the requester's certified identification document))
 - i. Proof of physical address of the NPC
 - j. Proof of residential address of the Registered Representative
 - k. Confirmation of bank account in the name of the entity (stamped or eStamped confirmation letter or bank statement) (if bank details are provided)

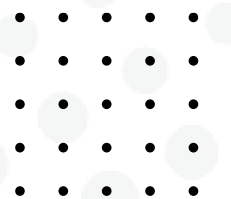
Trusts (Inter-vivos or Testamentary) – Process and Supporting Documents

1. The Trust must be registered with the Master's Office (Master of the High Court).
2. A Trust must register with SARS for Income Tax using the IT77TR. The completed Income Tax registration form for Trusts can be submitted either via the SARS Online Query System (SOQS) or at a SARS branch office.
3. SARS requires the following supporting documents (not older than 3 months):
 - a. Letter of Authority (LoA) from the Master of the High Court
 - b. Trust Instrument (including all amendments)
 - c. Certified and legible / clear ID copies of all Trustees
 - d. Trustee resolution appointing the Representative Taxpayer
 - e. Power of Attorney (if a tax practitioner has been appointed or once-off mandate)
 - f. Proof of physical address of the Trust
 - g. Proof of residential address of the Representative Trustee
 - h. Confirmation of bank account in the name of the entity (stamped or eStamped confirmation letter or bank statement) (if bank details are provided)



Association of Persons (Voluntary Association) – Process and Supporting Documents

1. An Association of Persons must complete and submit the Income Tax Registration, Amendments and Verification Form (RAV01) at a SARS branch office.
2. SARS requires the following supporting documents (not older than 3 months):
 - a. Signed and dated Constitution of the Association of Persons
 - b. Resolution by office bearers appointing a Registered Representative
 - c. Certified and legible / clear ID copy of the Registered Representative
 - d. Letter of Appointment of the Registered Representative
 - e. Proof of physical address of the Association of Persons
 - f. Proof of physical address of the Registered Representative
 - g. Confirmation of bank account in the name of the entity (stamped or eStamped confirmation letter or bank statement) (if bank details are provided)



Small Business Funding Entity (SBFE)

Generic Supporting Documents

1. Founding document that is applicable to the legal entity type of the applicant. The founding document must:
 - a. Set out the objectives of the entity, clearly indicating main and additional objectives.
 - b. Include the requirements of Section 30C of the Income Tax Act
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 statement (if the entity has been in operation for 12 months or more)
5. Confirmation of bank account in the name of the entity (stamped or eStamped confirmation letter or bank statement)

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

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Amendments to the SARS Registered Details

Founding document

In case of an Association of persons:

1. Updated Founding Document signed and dated by the office bearers
2. Signed and dated meeting minutes or resolution where the updated Founding Document was approved.

In case of an NPC or Trust

1. Updated MOI or updated Trust Instrument which has been lodged with CIPC or MoHC