

CLARIFICATION DOCUMENT FOR:

IT3(b) and IT3(s)

Applicable to the published BRS:

“SARS_External BRS_2014_IT3s_v2.0.3-27” with the date of 4 June 2015

Version:	1.0.0
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1. DOCUMENT MANAGEMENT

1.1. Revision History

Revision History			
Date	Version	Description	Author/s
14 Dec 2016	V1.0.0	Public Version	SARS

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2. INTERPRETATION NOTES

The interpretation notes contained in this document are applicable to the BRS with the title and version "SARS_External BRS_2014_IT3s_v2.0.3-27" with the date of 4 June 2015.

This document is a summary of the minor changes due to law and system integration requirements.

2.1. New transfer in, transfer out and withdrawal source codes added for Tax Free Investments – IT3(s)

The following new source codes are available for use with Tax Free Investment IT3(s) data submissions:

4247 – Tax free investment account – transfer out

4246 – Tax free investment account – transfer in

4248 – Tax free investment account – withdrawal

This means that the "7.15 Appendix N – IT3(s) ITS Source Codes Table" of the BRS changes;

From;

7.15 Appendix N - IT3(s) ITS Source Codes Table

This table provides income source codes that are used for the purpose of IT3(s) extracts.

Code	Transaction Type
4239	Tax free investment account – net return on investment profit
4240	Tax free investment account – net return on investment loss
4219	Tax free investment account – contribution
4241	Tax free investment account – interest
4242	Tax free investment account – dividends
4243	Tax free investment account – capital gain
4244	Tax free investment account – capital loss

To:

7.15 Appendix N - IT3(s) ITS Source Codes Table

This table provides income source codes that are used for the purpose of IT3(s) extracts.

Code	Transaction Type
4239	Tax free investment account – net return on investment profit
4240	Tax free investment account – net return on investment loss
4219	Tax free investment account – contribution
4247	Tax free investment account – transfer out
4246	Tax free investment account – transfer in
4248	Tax free investment account – withdrawal
4241	Tax free investment account – interest
4242	Tax free investment account – dividends
4243	Tax free investment account – capital gain
4244	Tax free investment account – capital loss

Also view the rule application around these source codes in Section 2.2 below.

2.2. Transfer date postponed to 2016-11-01 for Tax Free Investments and amended source code rules - IT3(s)

Per Gazette 40308 – 28 September 2016 it is required to change the date that Tax Free Investment transfers are allowed, from “2016-11-01” to “2017-03-01”.

This means that the BRS Field 98 (Transaction Type), changes;

From;

98.	Transaction Type	Transaction Type: e.g. Contribution, Transfer In, Transfer Out etc.	M		N	FIX	2:2	• Must be value from Transaction Type Appendix 7.16	• Codes = 02 or 03 (Transfer In or Out) would only be allowed when Transaction Date (Field 97) >= 2016-11-01.
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98.	Transaction Type	Transaction Type: e.g. Contribution, Transfer In, Transfer Out etc.	M		N	FIX	2:2	• Must be value from Transaction Type Appendix 7.16	• Codes = 02 or 03 (Transfer In or Out) would only be allowed when Transaction Date (Field 97) >= 2017-03-01.
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Furthermore the date change is incorporated in the condition rules of Field 99 (Assigned Source Code), must change from “2016-11-01” to “2017-03-01”.

This means that the BRS Field 99 (Assigned Source Code) changes;

From;

99.	Assigned Source Code	Assigned Source Code	C	<ul style="list-style-type: none"> If Transaction Type (Field 98) has an associated Source Code (Appendix 7.15) then this field is mandatory; Else field is NULL. 	N	FIX	<ul style="list-style-type: none"> 0:0 – condition not met 4:4 – condition met 	<ul style="list-style-type: none"> If value populated, then it has to be 4219 as referenced in Source Codes Table Type Appendix 7.15. 	
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99.	Assigned Source Code	Assigned Source Code	C	<ul style="list-style-type: none"> IF Transaction Type (Field 98) = 01 THEN has to be = 4219; IF Transaction Type (Field 98) = 02 AND Transaction Date (Field 97) >= 2017-03-01 THEN has to be = 4246 OR allow NULL value. IF Transaction Type (Field 98) = 03 AND Transaction Date (Field 97) >= 2017-03-01 THEN has to be = 4247 OR allow NULL value. IF Transaction Type (Field 98) = 04 THEN field has to be = 4248 OR allow NULL value. 	N	FIX	<ul style="list-style-type: none"> 0:0 – field contains no value 4:4 – field contains a value 	<ul style="list-style-type: none"> Must be value from Source Codes Table Type Appendix 7.15. 	
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2.3. IT3(b) new source code 4214 'Other Income'

The new source code called "Other Income" 4214 is available for use in IT3(b) data submissions.

This means that the BRS "7.2 Appendix B – IT3(b) Source Codes Table" changes;

From;

7.2 Appendix B - IT3(b) Source Codes Table

This table provides income source codes that are used for the purpose of IT3(b) extracts.

Income Source Code	Description
4201	Local interest (including amounts received / accrued in respect of Sharia compliant finance arrangements under section 24JA)
4202	Dividends/Dividends from a unit trust company/Other dividends – excluding dividends from a foreign source Note: This Income source code may only be used for local dividends that were declared prior to 1 April 2012
4210	Rental income
4212	Royalties profit income
4216	Dividends from a foreign source subject to SA normal tax
4218	Interest from a foreign source
4238	Taxable local dividends
4112	Tax paid on foreign Dividends
4113	Tax paid on foreign Interests

To:

7.2 Appendix B - IT3(b) Source Codes Table

This table provides income source codes that are used for the purpose of IT3(b) extracts.

Income Source Code	Description
4201	Local interest (including amounts received / accrued in respect of Sharia compliant finance arrangements under section 24JA)
4202	Dividends/Dividends from a unit trust company/Other dividends – excluding dividends from a foreign source Note: This Income source code may only be used for local dividends that were declared prior to 1 April 2012
4210	Rental income
4212	Royalties profit income
4214	Other Income
4216	Dividends from a foreign source subject to SA normal tax
4218	Interest from a foreign source
4238	Taxable local dividends
4112	Tax paid on foreign Dividends
4113	Tax paid on foreign Interests