



South African Revenue Service

Dear Stakeholder

COUNTRY-BY-COUNTRY REPORTING SUBMISSION FUNCTIONALITY: INVITATION TO PARTICIPATE IN TRADE TESTING

The South African Revenue Service (SARS) is in the process of affording Multinational Entities (MNEs) an alternative functionality to enable them to submit their Country-by-Country (CbC) reports.

MNEs in South Africa are required to report on their economic activities for each country they conduct business in. The CbC report and/or master file will be submitted through SARS eFiling in accordance with the requirements of The Action 13 (2015) Final Report of the Organisation for Economic Co-operation and Development (OECD)/G20 Base Erosion and Profit Shifting (BEPS) Project published on 5 October 2015.

SARS is in the process of adding another functionality to the current CbC Reporting process on eFiling. It is envisaged that from June 2020, an additional option to upload an electronic file will be available to MNE taxpayers. The file must comply fully with the OECD schema requirements and be submitted in the XML structure format.

To ensure that the CbC upload functionality operates as intended, SARS invites you to participate in the trade testing that we envisage to be from 01 to 12 June 2020. Your participation is crucial to the success of the project.

On implementation of the XML structure format, MNEs will be able to choose their preferred method of submission; either in the XML structure format or by capturing the CBC01 form using the CbC link on eFiling.

Kindly confirm your participation in the trade testing by 15 May 2020 to your SARS Relationship Manager as well as to Mohammed Desai from the SARS Large Business Centre (LBC) Relationship Management team, who has been appointed to oversee this process. His contact details are as follows:

Relationship Manager: Mohammed Desai.

- Email: mdesai@sars.gov.za; Mobile: 082 442 6342; Landline: 012 422 6342

The requirement specifications for the file upload function for your review and action is available at the link below.

<https://www.sars.gov.za/TaxTypes/CIT/Pages/Country-by-Country.aspx>.

Please note that should there be a change of any of the dates mentioned in this letter, your appointed relationship manager from LBC will advise you accordingly.

Your participation in our journey to collaborate on such initiatives will be appreciated.

Sincerely

THE SOUTH AFRICAN REVENUE SERVICE

April 2020