

# How SARS helps you to manage your tax debt

Tax debt may result from administrative penalties due to non-submission of a return, submission of a return without payment, partial payment or from an audit assessment.



## Prevent Phase

You are reminded to settle your debt before it is overdue.



**Step 1:** You receive a notice of assessment after filing that informs you how much you owe SARS and shows you the due date. A detailed statement of account is also issued on request.

**Step 2:** You receive a courtesy notification from SARS, reminding you of your income tax debt before it is overdue.

## Enforcement phase



**Step 6:** There are a number of other debt collection tools available to SARS to enforce payment of the tax debt and these include:

- Issuing a judgement and having you blacklisted
- Attaching and selling your assets.

**NOTE:** It is important that you inform SARS of any change in your contact details so that you can receive SARS correspondence.

## Assist Phase

SARS engages you to help you settle your debt.



**Step 3:** You receive reminder notifications from SARS just after the due date to remind you to settle your tax debt.

Your tax compliance status will show that you are non-compliant.

## Recover phase

You have not complied by settling your tax debt.



**Step 4:** A notice of final demand will be issued if you fail to settle the debt without requesting any of the remedial mechanisms mentioned below.

**Step 5:** If you still do not respond, SARS may appoint a **third party** who holds money on your behalf (e.g. an employer or bank) to deduct the tax debt from your salary or bank account and pay it over to SARS. The third party (employer / bank) is legally obliged to act on behalf of SARS.

**Remedial actions:** During any of these phases you may request deferral of payment, suspension of payment with the intention to lodge a dispute or a compromise for approval.

For more details contact:  
**0800 00 7277**

**SARS**  
At Your Service