



*South African Revenue Service*

Dear Stakeholder

## **TAX DIRECTIVES: CHANGES FOR SEPTEMBER 2022**

SARS will be enhancing the Tax Directive Process. This enhancement entails the validation of specific data captured on the tax directive application form against the information held by the Financial Sector Conduct Authority (FSCA).

The changes will only impact the back-end processes of SARS; there will be no changes made to the IBIR-006 Tax Directives Interface Specification.

The following data will be validated against the Funds' information as registered with the FSCA:

- the registered fund name;
- participating employer name; and
- FSCA registration numbers (participating employer number included) should be captured as it is on the FSCA data base.

Data captured on the tax directive application must correspond with the registration data with the FSCA. Incorrect data or omitted data will result in the tax directive applications being declined.

On submission of:

- **Forms A&D, B, C & E**, the reasons listed below will be the reasons for the tax directive applications that were submitted by the Fund Administrator or Long-term Insurer being declined:

- If the application form did not indicate that the members' benefits were transferred to another Approved Fund / Long-term Insurer, and the correct transfer details were not provided;
  - If the application form did not indicate that a portion of the retirement interest was used to purchase an annuity, and the purchased annuity details were not provided;
  - If the FSCA Registration Number / FSCA Registered Insurer Number supplied on the application form does not exist on the FSCA's database;
  - If the Participating Employer's FSCA Number (under an Umbrella Fund) supplied on the application form does not exist on the FSCA's list of registered active participating employers;
  - If the registered Name of the Fund or the Long-term Insurer name on the application does not correspond with the corresponding name as registered with the FSCA;
  - If the Transferring Fund, Receiving Fund, or both are terminated and cannot process any transfers in or out of members' benefits;
  - If the Transferring Fund, Receiving Fund, or both are liquidated and cannot process any transfers in or out of members' benefits;
  - If the Receiving Fund is terminated and cannot process any transfers in of members' benefits;
  - If the Receiving Fund is liquidated and cannot process any transfers in of members' benefits;
  - If the Transferring fund, Receiving Fund or both are cancelled and cannot process any transfers in or out of members' benefits;
  - If the date of accrual is before the Fund's registration date or is after the Fund's cancellation date, as per the FSCA's list of registered funds.
- **Forms A&D, B & C**, the below will be an additional reason for the tax directive application being declined:

- If the Participating Employer Name supplied on the application does not match the corresponding name as registered with the FSCA.

**More information**

The registered information as per the FSCA can be found on the FSCA website at [www.fscsa.co.za](http://www.fscsa.co.za) and you are encouraged to refer to this info prior to submitting the tax directive application.

Sincerely,

**THE SOUTH AFRICAN REVENUE SERVICE**

July 2022