

In addition, SARS may request further information such as –

- documentary proof that a foreign tax liability has been incurred, for example, a letter from the relevant foreign tax authority or a receipt for taxes paid; and
- a certificate from the resident's auditor stating that the amount is payable.

9.5 Evidence required for dividends tax

Section 64N(5) provides as follows:

“(5) A company or regulated intermediary must obtain proof of any tax paid to any sphere of government of any country other than the Republic and deducted from the dividend tax payable in terms of this section, in the form and manner prescribed by the Commissioner.”

It is therefore clear that the company declaring the dividend or the regulated intermediary must obtain the proof.

The “form and manner” has not been prescribed by the Commissioner. The following would be acceptable:

- A certificate from the foreign entity that withheld the foreign tax, indicating the amount of the dividend and the amount of the foreign tax withheld; or
- A tax assessment issued by the foreign tax authority indicating the amount of foreign tax paid on the dividend.

The proof should be provided to the company or the regulated intermediary before or by the date that the dividends tax is payable to the Commissioner.

9.6 Translation of information worded in a foreign language

SARS may require a resident to appoint a sworn translator to translate any documentary evidence worded in a foreign language into English.¹²⁰ A certificate prepared by the translator officially stating that the translation is a true rendition of the original may also be requested.

Legal and Policy Division SOUTH AFRICAN REVENUE SERVICE

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¹²⁰ Under section 33(1) of the TA Act a senior SARS official may by notice require a person to produce a translation of information, which is not in one of the official languages of South Africa, in one of the official languages determined by the official within a reasonable period.

