

DRAFT INTERPRETATION NOTE

DATE:

ACT : VALUE-ADDED TAX ACT NO. 89 OF 1991
SECTIONS : SECTIONS 11(2)(a), (b), (c), (d), (e) AND 12(g)
SUBJECT : THE VALUE-ADDED TAX TREATMENT OF SUPPLIES OF TRANSPORT SERVICES AND ANCILLARY TRANSPORT SERVICES

Preamble

In this Note unless the context indicates otherwise –

- “**RSA**” means the Republic of South Africa;
- “**section**” means a section of the VAT Act;
- “**VAT Act**” means the Value-Added Tax Act No. 89 of 1991; and
- any word or expression bears the meaning ascribed to it in the VAT Act.

1. Purpose

This Note serves to –

- set out the value-added tax (VAT) treatment of the transport of passengers and goods as well as ancillary transport services; and
- withdraw VAT Practice Notes No. 7 dated 10 February 1992 and No. 10 dated 1 October 1991.

2. The law

For ease of reference the relevant sections of the Act are quoted in **Annexure A**.

3. Application of the law

The VAT treatment of the transportation of passengers is dependent on the mode of transport and the destination. The supply of the transport service could therefore be taxable (that is, at the standard or zero rate when supplied by a vendor) or exempt. This is very different from the transportation of goods, as this supply is always taxable when supplied by a vendor.

Although this seems fairly simplistic, there are conditions that must be satisfied in order for the correct VAT rate to be applied. Set out below is a detailed discussion on the applicable provisions of the Act which are relevant to the supplies of transport services and the conditions that apply.

3.1 Domestic transport services

A domestic transport service for purposes of this Note relates to the supply of transport services from a point of origin in the RSA to a destination within the RSA.

3.1.1 Domestic passenger transport services by road or rail

In terms of section 12(g) of the Act, “the supply by any person in the course of a transport business of any service comprising the transport by that person in a vehicle operated by him of fare-paying passengers and their personal effects by road or railway” in RSA is exempt from VAT.

An analysis of the aforementioned provision implies that there are certain criteria that must be satisfied in order for the supply of passenger transport services to be exempt. These are discussed below:

- The supply must be made in the course of a transport business. A transport business is not defined in the Act, but for purposes of this section would constitute the services of regularly supplying a vehicle and driver for the transportation of passengers and/or goods.
- The supply of the transport service is exempt in the event that the operator of the vehicle is responsible for transporting fare-paying passengers, irrespective of whether or not the operator owns the vehicle, employs the driver or is licensed to transport passengers. The vehicle must be supplied with the services of a driver in order to constitute a transport service.

Both the person supplying the transport service and the subcontractor who physically renders the transport service would fall within the exemption.

- Fare-paying passengers are regarded as passengers who are charged a fee for transport services in a vehicle or train, irrespective of whether the passenger purchases a ticket or electronic travel card, or pays a fare on boarding the vehicle.

The supply of the right of use of a motor vehicle under a rental agreement to a third party who uses it for the transport of passengers, is not the supply of a transport service. The supply of a motor vehicle under a rental agreement is deemed to be the supply of goods under section 8(11) and is subject to VAT at the standard rate.

The paragraphs below discuss some common examples of passenger transport services and the extent to which these services are considered to be the transport of fare-paying passengers.

(a) Airport or hotel shuttle services

It is common practice in the hotel industry for hotels to offer courtesy (free) shuttle services to their guests. A free shuttle service is not regarded as the supply of a transport service, as it has no fare-paying passengers.

(b) Ambulance services

An ambulance charges a fee to transport people to and from medical facilities. It is equipped to supply medical care to trauma patients whilst in transit or at the scene of an emergency. The supply of road transport services in an ambulance is an exempt supply when supplied in the RSA, and zero-rated when supplied internationally. Medical services supplied at the scene of an emergency or whilst the patient is being transported are regarded as taxable supplies.

(c) Transportation in a hearse

The transport of “human remains” in a hearse constitutes the transport of goods¹ and is a taxable supply under section 7(1)(a).

(d) Transportation in a game-viewing vehicle

The transportation of fare-paying passengers in a game-viewing vehicle for the purposes of game viewing in national parks, game reserves, sanctuaries or safari areas is excluded from the ambit of section 12(g) and as such is regarded as a taxable supply. Vendors should refer to the *VAT 411 – Guide for Entertainment, Accommodation and Catering* available on the SARS website www.sars.gov.za for guidance in this regard.

(e) Chauffeur-driven vehicles

The supply of a chauffeur-driven motor vehicle is exempt when the supplier who supplies the motor vehicle also supplies the chauffeur to drive the motor vehicle.

3.1.2 Domestic passenger transport services by sea or air

The supply of the domestic transport of passengers on an aircraft or ship is a standard-rated supply provided the exception in **3.2.2** is not applicable.

3.1.3 Domestic transport of goods

The domestic transport of goods by any mode of transport is taxable at the standard rate, provided the exception in **3.2.3** is not applicable.

3.2 International transport services

“International transport services” for purposes of this Note comprise the transport of passengers or goods from a place –

- outside the RSA to another place outside the RSA; or
- in the RSA to a place in an export country; or
- in an export country to a place in the RSA.

3.2.1 International transport services of passengers and goods

International transport services of passengers and goods by road, rail, air or sea are taxable supplies which may be zero-rated under section 11(2)(a).²

3.2.2 Domestic leg of an international passenger flight

The domestic leg of an international passenger flight may be zero-rated under section 11(2)(b), to the extent that the supply constitutes “international carriage” as defined in Article 1 of the Convention set out in the Schedule to the Carriage by Air Act No. 17 of 1946. The supplier of the domestic leg must be the same supplier who is supplying the international leg of the transport service.

¹ The term “human remains” is not defined in the Act, but by the inference in paragraph 1(ii) of Schedule 1 to the Act, “human remains” are goods which are exempt from VAT on importation into the RSA under section 13(3).

² Any reference in this Note to the application of the zero rate is subject to the documentary proof required under section 11(3) as discussed in **3.2.5**.

3.2.3 Domestic leg of an international transport service and ancillary transport services

The international transport of goods will often include a domestic transport leg as well as ancillary transport services.³ Ancillary transport services are services that are applied directly to or in relation to the goods to facilitate the transport service.

(a) Zero-rated domestic and ancillary transport services

Section 11(2)(c) zero-rates the domestic leg of the international transport of goods, as well as the ancillary transport services, to the extent that the services are part of a zero-rated international transport service. The section further requires that the supplier supplying the domestic leg or ancillary transport services is the same supplier who provides the international transport service.

Section 11(2)(e) also zero-rates domestic transport services and ancillary transport services under section 11(2)(e) provided these services are supplied –

- (a) directly in connection with the –
 - (i) exportation of goods from the RSA; or
 - (ii) importation of goods into the RSA; or
 - (iii) movement of goods through the RSA from one export country to another export country; and
- (b) directly to a person who is neither a resident of the RSA nor a vendor, otherwise than through an agent or other person.

As opposed to section 11(2)(c), section 11(2)(e) does not require that the domestic transport service or ancillary transport service be supplied by the same supplier who supplied the international transport service.

In order to qualify for the zero-rating, the supply of the domestic transport service must meet at least **one** of the conditions in (a) and **all** of the conditions in (b). The words “directly in connection with” indicate that the domestic transport service or ancillary transport service must be intrinsically linked to the transport of goods into, out of, or through the RSA.

Unlike section 11(2)(c), in the case of section 11(2)(e), the domestic transport service must be provided to the non-resident and not through an agent or other person who is a vendor. This means that the supplier of the domestic transport service must contract with the non-resident directly. Section 11(2)(e) will not apply if an agent is contracted to acquire a domestic transport service or an ancillary transport service. In this instance, the transport service will be subject to VAT at the standard rate.

³ The term “ancillary transport services” is defined in section 1(1) of the VAT Act to mean stevedoring services, lashing and securing services, cargo inspection services, preparation of customs documentation, container handling services and the storage of transported goods or goods to be transported.

(b) Domestic or ancillary transport services made to an agent of a non-resident

In relation to the above, the foreign business will be unable to deduct the VAT charged as input tax and will bear an increased cost in relation to its competitors as it is not a vendor. Relief is granted by section 54(6) which is an exception to the general rule with regard to agents.

The general rule on supplies acquired by an agent on behalf of the principal is that it is the principal and not the agent that is entitled to deduct the input tax under section 16(3) read with section 54(1).

Section 54(6), however, provides that the provisions of the VAT Act will apply as if the supply had been made to the agent, provided that the –

- transport service is not subject to VAT at the zero-rate;
- principal is a non-resident non-vendor;
- agent and the non-resident principal agree that the agent is the principal for the purposes of the supply; and
- transport service, or the arranging of the transport services, is directly in connection with the import or export of goods which are being moved to, from or through the RSA.

In these circumstances, the agent may deduct the VAT incurred as input tax under section 16(3)(a) or (b).

3.2.4 Arranging international transport services

A vendor who is contracted to arrange the international transport of passengers or goods may zero-rate the fee charged for the service under section 11(2)(d). The zero-rating of the arranging service in section 11(2)(d) will only apply if the supply of the international transport of passengers or goods being arranged, is itself zero-rated under section 11(2)(a), (b) or (c).

3.2.5 Documentary requirements

The application of the zero rate is always subject to the vendor obtaining and retaining documents acceptable to the Commissioner under section 11(3). Interpretation Note No. 31 sets out the documentary proof required in relation to section 11(1) and (2) read with section 11(3) – see **Annexure B** for an extract from Interpretation Note No. 31.

Example 1 – Vendor supplying international transport services

Facts:

Shipping Line X, (a vendor) contracts with ABC to ship ABC's goods from Durban to Saint Petersburg and to prepare the customs documentation for export.

What is the VAT treatment of the services?

Result:

Shipping Line X is providing an international transport service to ABC from a place in the RSA to a place in an export country and will charge VAT at the zero rate under section 11(2)(a)(ii).

The preparation of customs documentation is an “ancillary transport service” as defined and Shipping Line X will charge VAT at the zero rate under section 11(2)(c).

Example 2 – Vendor supplying subcontracted transport services*Facts:*

A freight forwarder (a vendor) contracts with ABC to transport ABC’s goods from Polokwane to Saint Petersburg, to pack the goods for transport and to prepare the customs documentation for export. The freight forwarder subcontracts with Rail Co to pack and move the goods from Polokwane to Durban, and with Shipping Line X to move the goods from Durban to Saint Petersburg.

What is the VAT treatment of the services?

Result:

Rail Co is providing a transport service to the freight forwarder between places in the RSA and therefore Rail Co must charge VAT at the standard rate on the supply of its transport service. VAT at the standard rate must also be levied on the supply of its packing service (an ancillary transport service).

Shipping Line X is providing a transport service to the freight forwarder from a place in the RSA to a place in an export country. Shipping Line X will charge VAT at the zero rate under section 11(2)(a)(ii).

The freight forwarder is providing an international transport service to ABC, which incorporates a domestic leg and ancillary transport services (packing services and preparation of customs documentation).

The freight forwarder will charge VAT at the zero rate on the international transport service from Durban to St Petersburg under section 11(2)(a)(ii) while both the domestic leg and the ancillary transport services may be zero-rated under section 11(2)(c).

Example 3 – Vendor contracting directly with a non-resident*Facts:*

Company A, a non-resident non-vendor purchases goods in Kimberley, and contracts directly with Road Haulier Inc. to pack and move the goods from Kimberley to Cape Town, and directly with Rail Co to prepare the customs documentation for export and to transport the goods from Cape Town to Kinshasa.

What is the VAT treatment of the services?

Result:

Road Haulier Inc. is providing a transport service between places in the RSA and an ancillary transport service (packing the goods) directly to Company A. The supply of the transport service as well as the ancillary transport service is directly in connection with the export of goods. Road Haulier Inc. must charge VAT at the zero rate on the supply of its domestic transport and the ancillary transport service under section 11(2)(e).

Rail Co is supplying an international transport service of goods that are being exported from the RSA to an export country. Rail Co may zero-rate the supply of the rail from Cape Town to Kinshasa under section 11(2)(a)(ii).

Rail Co may zero-rate the supply of its ancillary transport service (the preparation of the customs documentation) under section 11(2)(e).

Example 4 – Vendor contracting with an agent of a non-resident*Facts:*

Company A, a non-resident non-vendor purchases goods in Kimberley, and contracts with a freight forwarder as its agent, to arrange the movement of its goods from Kimberley to Vancouver. The freight forwarder contracts, on behalf of Company A, with Road Haulier Inc. to provide the domestic transport service to move the goods from Kimberley to Cape Town and with Airline C to fly the goods to Vancouver.

What is the VAT treatment of the services?

Result:

Airline C is providing an international transport service to Company A, being the principal, and may zero-rate the supply of the flight from Cape Town to Vancouver under section 11(2)(a)(ii).

The arranging of international transport services falls within the ambit of section 11(2)(d) and the freight forwarder may zero-rate the supply of its arranging service to Company A.

Road Haulier Inc. is providing a domestic transport service to Company A. As Road Haulier Inc. has not contracted directly with Company A, but contracted with Company A's agent, it is not entitled to zero-rate the supply under section 11(2)(e) and VAT at the standard rate must be levied. The freight forwarder pays Road Haulier Inc. for the domestic transport service and may deduct the VAT paid as input tax under section 54(6) read with section 16(3)(a) or (b) (as applicable).

5. Conclusion

The transport of passengers by road or rail within the RSA is exempt whereas the transport of goods is taxable. The international transport of both passengers and goods as well as the ancillary transport services associated thereto may be zero rated under the various provisions contained in section 11(2) provided that the requirements for the zero rating are met. In this regard, it is important to note that should the vendor not obtain and retain the documentary evidence within the time

periods stated in Interpretation Note No. 31, the supply will not qualify to be zero rated.

In the event that the VAT implications of a specific transaction are not covered in this Note, it is advisable to apply for a VAT ruling in writing by sending an e-mail to **VATRulings@sars.gov.za** or by facsimile to 086 540 9390. The application should consist of a VAT301 form and must comply with the provisions of section 79 of the Tax Administration Act No. 28 of 2011 excluding section 79(4)(f), (k) and (6).

Legal and Policy Division
SOUTH AFRICAN REVENUE SERVICE

Annexure A – The law

Section 1(1) – Definitions

“**ancillary transport services**” means stevedoring services, lashing and securing services, cargo inspection services, preparation of customs documentation, container handling services and storage of transported goods or goods to be transported;

“**enterprise**” means—

- (v) any activity shall to the extent to which it involves the making of exempt supplies not be deemed to be the carrying on of an enterprise;

“**input tax**”, in relation to a vendor, means—

- (a) tax charged under section 7 and payable in terms of that section by—
 - (i) a supplier on the supply of goods or services made by that supplier to the vendor; or
 - (ii) the vendor on the importation of goods by him; or
 - (iii) the vendor under the provisions of section 7(3);

where the goods or services concerned are acquired by the vendor wholly for the purpose of consumption, use or supply in the course of making taxable supplies or, where the goods or services are acquired by the vendor partly for such purpose, to the extent (as determined in accordance with the provisions of section 17) that the goods or services concerned are acquired by the vendor for such purpose;

Section 7 – Imposition of tax

(1) Subject to the exemptions, exceptions, deductions and adjustments provided for in this Act, there shall be levied and paid for the benefit of the National Revenue Fund a tax, to be known as the value-added tax—

- (a) on the supply by any vendor of goods or services supplied by him on or after the commencement date in the course or furtherance of any enterprise carried on by him;

calculated at the rate of 14 per cent on the value of the supply concerned or the importation, as the case may be.

Section 11 – Zero-rating of services

(2) Where, but for this section, a supply of services would be charged with tax at the rate referred to in section 7(1), such supply of services shall, subject to compliance with subsection (3) of this section, be charged with tax at the rate of zero per cent where—

- (a) the services (not being ancillary transport services) comprise the transport of passengers or goods—
 - (i) from a place outside the Republic to another place outside the Republic; or
 - (ii) from a place in the Republic to a place in an export country; or
 - (iii) from a place in an export country to a place in the Republic; or
- (b) the services comprise the transport of passengers from a place in the Republic to another place in the Republic to the extent that that transport is by aircraft and constitutes “international carriage” as defined in Article 1 of the Convention set out in the Schedule to the Carriage by Air Act, 1946 (Act No. 17 of 1946); or

- (c) the services (including any ancillary transport services) comprise the transport of goods from a place in the Republic to another place in the Republic to the extent that those services are supplied by the same supplier as part of the supply of services to which paragraph (a) applies; or
- (d) the services comprise the insuring or the arranging of the insurance or the arranging of the transport of passengers or goods to which any provision of paragraph (a), (b) or (c) applies; or
- (e) the services comprise the transport of goods or any ancillary transport services supplied directly in connection with the exportation from or the importation into the Republic of goods or the movement of goods through the Republic from one export country to another export country, where such services are supplied directly to a person who is not a resident of the Republic and is not a vendor, otherwise than through an agent or other person;

(3) Where a rate of zero per cent has been applied by any vendor under the provisions of this section, the vendor shall obtain and retain such documentary proof substantiating the vendor's entitlement to apply the said rate under those provisions as is acceptable to the Commissioner.

Section 12 – Exempt supplies

The supply of any of the following goods or services shall be exempt from the tax imposed under section 7(1)(a):

- (g) the supply by any person in the course of a transport business of any service comprising the transport by that person in a vehicle (other than a game viewing vehicle contemplated in paragraph (e) of the definition of "motor car" in section 1) operated by him of fare-paying passengers and their personal effects by road or railway (excluding a funicular railway), not being a supply of any such service which, but for this paragraph, would be charged with tax at the rate of zero per cent under section 11(2)(a);

Section 16 – Calculation of tax payable

(2) No deduction of input tax in respect of a supply of goods or services, the importation of any goods into the Republic or any other deduction shall be made in terms of this Act, unless—

- (a) a tax invoice or debit note or credit note in relation to that supply has been provided in accordance with section 20 or 21 and is held by the vendor making that deduction at the time that any return in respect of that supply is furnished; or
- (b)
 - (i) a document as is acceptable to the Commissioner has been issued in terms of section 20(6); or
 - (ii) a document issued by the supplier in compliance with section 20(7) or 21(5); or
- (c) ...
- (d) ...
- (e) a tax invoice or debit or credit note has been provided as contemplated in section 54(2) and a statement as contemplated in section 54(3)(a) is held by the vendor at the time a return in respect of the supply to the vendor is furnished; ...

Provided that where a tax invoice or debit note or credit note in relation to that supply has been provided in accordance with this Act, or a bill of entry or other document has been delivered in accordance with the Customs and Excise Act, as the case may be, the Commissioner may determine that no deduction for input tax in relation to that supply or importation shall be made unless that tax invoice or debit note or credit note or that bill of entry or other document is retained in accordance with the provisions of section 55 and Part A of Chapter 4 of the Tax Administration Act.

(3) Subject to the provisions of subsection (2) of this section and the provisions of sections 15 and 17, the amount of tax payable in respect of a tax period shall be calculated by deducting from the sum of the amounts of output tax of the vendor which are attributable to that period, as determined under subsection (4), and the amounts (if any) received by the vendor during that period by way of refunds of tax charged under section 7(1)(b) and (c) and 7(3)(a), the following amounts, namely—

- (a) in the case of a vendor who is in terms of section 15 required to account for tax payable on an invoice basis, the amounts of input tax—
 - (i) in respect of supplies of goods and services (not being supplies of second hand goods to which paragraph (b) of the definition of “input tax” in section 1 applies and supplies referred to in subparagraph (iiA)) made to the vendor during that tax period;...
- (b) in the case of a vendor who is in terms of section 15 required to account for tax payable on a payments basis, the amounts of input tax—
 - (i) in respect of supplies of goods and services made to the vendor in respect of which the provisions of section 9(1), (3)(a), (b) or (d) or (4) apply, to the extent that payments of any consideration which has the effect of reducing or discharging any obligation (whether an existing obligation or an obligation which will arise in the future) relating to the purchase price for those supplies have been made during that tax period;...

Section 17 – Permissible deductions in respect of input tax

(1) Where goods or services are acquired or imported by a vendor partly for consumption, use or supply (hereinafter referred to as the intended use) in the course of making taxable supplies and partly for another intended use, the extent to which any tax which has become payable in respect of the supply to the vendor or the importation by the vendor, as the case may be, of such goods or services or in respect of such goods under section 7(3) or any amount determined in accordance with paragraph (b) or (c) of the definition of “input tax” in section 1, is input tax, shall be an amount which bears to the full amount of such tax or amount, as the case may be, the same ratio (as determined by the Commissioner in accordance with a ruling as contemplated in Chapter 7 of the Tax Administration Act or section 41B) as the intended use of such goods or services in the course of making taxable supplies bears to the total intended use of such goods or services:

Section 54 – Agents and auctioneers

(1) For the purposes of this Act, where an agent makes a supply of goods or services for and on behalf of any other person who is the principal of that agent, that supply shall be deemed to be made by that principal and not by that agent: Provided that, where that supply is a taxable supply and that agent is a vendor, the agent may, notwithstanding anything to the contrary in this Act, issue a tax invoice or a credit note or a debit note in relation to such supply as if the agent had made a taxable supply, and to the extent that that tax invoice or credit note or debit note relates to that supply, the principal shall not also issue a tax invoice or a credit note or a debit note, as the case may be.

...

(6) Notwithstanding anything in subsection (2), where any vendor makes a taxable supply (other than a supply that is charged with tax at the rate of zero per cent under section 11) of goods or services to an agent who is a vendor and is acting for or on behalf of another person who is the principal for the purposes of that supply, and—

- (a) the principal is not a resident of the Republic and is not a vendor; and

- (b) (i) the supply is directly in connection with either the exportation, or the arranging of the exportation, of goods from the Republic to any country or place outside the Republic, or the importation, or the arranging of the importation, of goods to the Republic from any country or place outside the Republic, including, in either case, the transportation of those goods within the Republic as part of such exportation or importation, as the case may be; ...

this Act shall, where such agent and such principal agree, apply as if the supply were made to that agent and not to the principal.

Annexure B – Extract from Interpretation Note No. 31

5. Documentary proof

The documentary proof that a vendor must be in possession of in order to substantiate the vendor's entitlement to apply the zero rate to a supply of goods or services in terms of sections 11(1) and (2), is set out in **Tables A** and **B**.

5.2 Supply of services [section 11(2)]

Table B below provides an overview of the documentary proof to be obtained and retained by a vendor in respect of a supply of services in terms of section 11(2), as well as references to the relevant sections of the Act.

Table B – Vendors making a supply of services in terms of section 11(2)

ITEM	DESCRIPTION OF SUPPLY	DOCUMENTARY PROOF REQUIRED
A	International transport services in respect of goods [s 11(2)(a)]	<ul style="list-style-type: none"> a) The vendor's copy of the zero-rated tax invoice issued by the supplier of the international transport services; b) A copy of the transport contract and the applicable <u>transport document</u>, indicating the collection and delivery addresses or the point of origin and the point of destination of the transport; c) Proof of delivery of the goods; and d) <u>Proof of payment</u>.
B	International transport services in respect of passengers [s 11(2)(a)]	<ul style="list-style-type: none"> a) The vendor's copy of the zero-rated tax invoice issued by the supplier of the international transport service; and b) A copy of the passenger list issued by the supplier of the international transport service.
C	Domestic air transportation associated with the international carriage by air of passengers [s 11(2)(b)]	<ul style="list-style-type: none"> a) The vendor's copy of the zero-rated tax invoice issued by the supplier of the international transport service; and b) A copy of the passenger list issued by the supplier of the international transport service.
D	Local transport services of goods provided by the same supplier of the international transport services [s 11(2)(c)]	<p>Note: Local transport services provided by a subcontractor to a vendor supplying the services that are zero-rated in terms of this section must levy VAT on services provided at the standard rate.</p> <ul style="list-style-type: none"> a) The vendor's (i.e. the vendor supplying the local and international transport services) copy of the zero-rated tax invoice; b) A copy of the transport contract and the applicable <u>transport document</u>, indicating the collection and delivery addresses or the point of origin and the point of destination of the transport; c) Proof of delivery of the goods; and d) <u>Proof of payment</u>.
E	Insuring or the arranging of the insurance or the arranging of the international transportation of passengers or goods [s 11(2)(d)]	<ul style="list-style-type: none"> a) The vendor's copy of the zero-rated tax invoice; b) A copy of the insurance or transport contracts; and c) In the case of the arranging of international transportation of goods: <ul style="list-style-type: none"> i) a copy of the <u>transport document</u>; and ii) proof of delivery of the goods.

F	Certain services comprising the transport of goods or any ancillary transport services supplied directly to a person who is not a resident of the Republic and not a vendor [s 11(2)(e)]	<ul style="list-style-type: none">a) The vendor's copy of the zero-rated tax invoice;b) <u>The recipient's order or the contract between the recipient and the vendor;</u>c) Written confirmation from the recipient that the recipient is not a resident of the Republic and not a vendor for South African VAT purposes;d) <u>Proof of payment;</u> ande) In the case of services comprising the transport of goods but excluding ancillary transport services:<ul style="list-style-type: none">i) a copy of the applicable South African Revenue Service (SARS) Customs <u>proof of export</u>, proof of import or proof of transshipment document; andii) a copy of the <u>transport document</u>.
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