

Briefing Note: Draft public notice requiring the submission of CbC, master file and local file returns

This draft public notice is to be issued in terms of section 25 of the Tax Administration Act, 2011, which enables the Commissioner to by public notice require specified persons to submit returns as provided in the notice.

Comments on the draft notice must be submitted before or on **22 June 2017** to Adele Collins at acollins@sars.gov.za

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SOUTH AFRICAN REVENUE SERVICE

No.

June 2017

**RETURN TO BE SUBMITTED BY PERSONS IN TERMS OF SECTION 25 OF THE
TAX ADMINISTRATION ACT, 2011 (ACT NO. 28 OF 2011)**

In terms of section 25 of the Tax Administration Act, 2011, I, Thomas Swabihi Moyane, Commissioner for the South African Revenue Service, hereby require that the persons specified in the attached Schedule must submit returns for the Reporting Fiscal years and financial years commencing on or after 1 January 2016 and the subsequent Reporting Fiscal Years and financial years in the form, manner and by the dates prescribed in the Schedule.

T S Moyane

COMMISSIONER: SOUTH AFRICAN REVENUE SERVICE

Schedule

1. General

Any term or expression contained in this notice to which a meaning has been assigned in a “**tax Act**” as defined in section 1 of the Tax Administration Act, 2011, (“the Act”) or the Country-by-Country Regulations, has the meaning so assigned unless the context indicates otherwise and the following terms have the following meaning—

“**BRS: CbC and Financial Data Reporting**” means the Country-by-Country and Financial Data Reporting external business requirement specification reporting schema;

“**Country-by-Country Regulations**” means the regulations for purposes of paragraph (b) of the definition of “international tax standard” in section 1 of the Act promulgated under section 257 of the Act, specifying the changes to the Country-by-Country Reporting Standard for Multinational Enterprises, and published in *Government Gazette* No. 40516 of 23 December 2016; and

“**potentially affected transaction**” means an “affected transaction”, as defined in section 31 of the Income Tax Act, without regard to paragraph (b) of the definition, but excludes any transaction, operation, scheme, agreement or understanding contemplated in section 31(5), (6) or (7) of the Income Tax Act.

2. Persons required to submit returns and form of returns

2.1 A Reporting Entity (other than a Surrogate Parent Entity) resident in South Africa must submit a return in the form and containing the information specified in the BRS: CbC and Financial Data Reporting relating to the CbC Report, master file and the local file.

2.2 If the aggregate of a person's potentially affected transactions for the year of assessment, without offsetting any potentially affected transactions against one another, exceeds or is reasonably expected to exceed R100 million, the person must submit a return in the form and containing the information specified in the BRS: CbC and Financial Data Reporting relating to the master file and the local file.

3. Due date for submitting a return

3.1 A return referred to in paragraph 2.1 must be submitted within 12 months from the last day of the Reporting Fiscal Year.

3.2 A return referred to in paragraph 2.2 must be submitted within 12 months from the date on which the person's financial year ends.

4. Manner of submitting a return

A return must be submitted electronically by using the SARS eFiling platform.

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