

SOUTH AFRICAN REVENUE SERVICE

NO. 1228

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PUBLICATION OF EXPLANATORY SUMMARY OF THE TAX ADMINISTRATION

LAWS AMENDMENT BILL, 2016

Notice is hereby given in terms of Rule 276(1)(b) of the Rules of the National Assembly that the Minister of Finance intends to introduce the Tax Administration Laws Amendment Bill, 2016, in the National Assembly shortly. The explanatory summary of the Bill is hereby published in accordance with Rule 276(1)(c) of the Rules of the National Assembly.

The Bill provides for the amendment of the—

- Income Tax Act, 1962, so as to provide for delegation of a power to disclose certain information; to provide for exemption from dividends tax of a dividend derived from a tax free investment; to amend a Schedule to include a class of taxpayers as provisional taxpayers; to amend a definition so as to include certain dividends; to further regulate the manner of prescribing an effective date; to further regulate the withholding of employees' tax; and to effect textual amendments;
- Customs and Excise Act, 1964, so as to narrow the scope of provisions relating to Special Economic Zones and to align terminology with terminology used in the Special Economic Zones Act, 2014; to broaden the scope of provisions relating to cigarette marking, tracking and tracing and to make certain changes relating to the maximum allowed weight of cigarettes for import or manufacturing; to align the prescription period for refunds to the general prescription period of three years; and to make changes to provisions relating to the payment and calculation of interest on outstanding amounts;
- Value-Added Tax Act, 1991, so as to amend provisions to align with the Special Economic Zones Act, 2014; to amend provisions relating to acceptable documentary proof; to reinsert a prescription period; and to amend a Schedule;

- Mineral and Petroleum Resources Royalty (Administration) Act, 2008, so as to provide greater alignment with the Fourth Schedule to the Income Tax Act, 1962; and to make technical corrections;
- Tax Administration Act, 2011, so as to amend definitions; to specify payment of monies to the National Revenue Fund; to extend the term of office of the Tax Ombud; to provide for appointment of the staff of the office of the Tax Ombud; to broaden the mandate of the Tax Ombud; to impose an obligation to provide reasons for not following non-binding recommendations by the Tax Ombud; to provide for disclosure of certain approved organisations; to extend the period for retention of records by SARS; to extend a period of limitation; to amend the provision for an additional assessment; to extend a period within which to apply for a condonation of a late objection; to amend the constitution of a tax court; to narrow the application of a provision; to add a definition and make provision for a penalty relating to an impermissible avoidance arrangement; and to amend the provision for voluntary disclosure of a default;
- Customs Duty Act, 2014, so as to delete certain unnecessary provisions and to combine certain provisions for purposes of clarity;
- Customs Control Act, 2014, so as to make certain technical corrections; to delete certain unnecessary provisions; to make changes to provisions relating to the submission of cross-border train departure reports; to provide for the transmission of electricity under the international transit procedure; to broaden a rule enabling provision to include rules relating to the treatment of detained counterfeit goods in state warehouses; and generally to make adjustments for the smoother implementation of that Act;

and for matters connected therewith.