

EXTERNAL GUIDE

COMPREHENSIVE GUIDE TO THE INCOME TAX RETURN FOR TRUSTS

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REVISION HISTORY TABLE

Date	Version	Description
24-07-2020	13	Updated with filing season 2020/21 legislation changes
07-12-2020	14	Section 11(j) updated to the ITR12T and Solidarity Fund contributions claims
13-09-2021	15	Updated with 2021 Filing Season

1 PURPOSE

- The purpose of this document is to provide guidance for the completion of the Income tax return for Trusts (ITR12T).
- This guide in its design, development, implementation and review phases is guided and underpinned by the SARS strategic Plan 2020/21 - 2024/25 and the applicable legislation. Should any aspect of this script be in conflict with the applicable legislation the legislation will take precedence.

2 GENERAL INFORMATION

2.1 BACKGROUND

- A trust is formed when the founder (also referred to as a donor or settlor) places cash or other assets under the administration and control of a trustee(s) to or for the benefit of a beneficiary or for a specified purpose.
- Under the South African law, there are three types of trusts:
 - **Ownership trust** – A founder or settlor transfers ownership of assets or property to trustees which are to be held for the benefit of defined or determinable beneficiaries of the trust.
 - **Bewind trust** – A founder or settlor transfers ownership of assets or property to beneficiaries of the trust. The assets remain the property of the beneficiaries but it is administered by the trustees (i.e. trustees are given control over the property).
 - **Curatorship trust** – The trustees administer the assets of the trust for the benefit of a beneficiary that lacks the capacity to do so, for example, a curator placed in charge of a person with a disability.
- In terms of section 6(1) of the Trust Property Control Act, no person may act as trustee without proper authorisation from the Master of the High Court.
- Trusts may be described according to:
 - **Their method of formation** (*inter vivos* and *mortis causa* trusts).
 - An *inter vivos* trust is created during the lifetime of an individual
 - A *mortis causa* trust is created upon the death of an individual under that individual's last will.
 - **The rights they confer on beneficiaries** (vesting and discretionary trusts).
 - Under a vesting trust the income (both of a revenue and capital nature) or assets of the trust are vested in the beneficiaries and the beneficiaries are said to have vested rights to the income or assets of the trust.
 - Under a discretionary trust the trustees usually have the discretion as to whether and how much of the income or capital of the trust to distribute to the beneficiaries. In these circumstances, the beneficiaries merely have contingent rights to the income or capital of the trust.
 - **Their purpose** (trading trusts, asset-protection trusts, charitable trusts or special trusts).

2.2 WHO MUST COMPLETE AND SUBMIT THE ITR12T

- A trust is a "person" for tax purposes and is therefore a taxpayer in its own right. The ITR12T must be completed and submitted by the trustees of the trust, or the tax practitioner appointed by the trustee(s).

- The following special trust types are recognized for tax purposes:
 - **Special Trust – Type A** – means a special trust referred to in paragraph (a) of the definition of “special trust” in section 1(1) of the Income Tax Act. This trust is created solely for the benefit of one or more persons who is a relative of the founder and has a disability as defined in section 6B (1) and such disability incapacitates the person(s) from earning sufficient income for their maintenance, or from managing their own financial affairs.
 - In order to be classified as a Special trust – Type A, approval must be obtained from SARS.
 - A trust will cease to be a Type A trust from the beginning of the year of assessment during which all the beneficiaries with a disability (for whom the sole benefit the trust was created) become deceased.
 - **Special Trust - Type B** – means a special trust referred to in paragraph (b) of the definition of “special trust” in section 1(1) of the Income Tax Act. This trust is created in terms of the will of a deceased person solely for the benefit of beneficiaries who are his/her relatives, who are alive at the time of death of the deceased, and the youngest is under the age of 18 at the end of the year of assessment.
 - **Collective Investment Schemes** - A scheme, in whatever form, including an open-ended investment company where members of the public are invited to invest money or other assets in a portfolio, and in terms of which two or more investors contribute money and hold a participatory interest in a portfolio of the scheme through shares, units or any other form of participatory interest. The investors share the risk and the benefit of investment in proportion to their participatory interest in a portfolio of a scheme or on any other basis determined in the deed.
- The Income Tax Act distinguishes between the following types of collective investment schemes:
 - A portfolio of a collective investment scheme in securities,
 - A portfolio of a collective investment scheme in property,
 - A portfolio of a collective investment scheme in participation bonds,
 - A portfolio of a declared collective investment scheme, and
 - A portfolio of a hedge fund collective investment scheme.

The following should be noted when registering collective investment schemes for tax purposes:

- A portfolio of a collective investment scheme in securities must be registered with SARS as a Trust for Income Tax purposes.
- A portfolio of a collective investment scheme in property that qualifies as a REIT must be registered with SARS as a Company for Income Tax purposes.

2.3 HOW TO OBTAIN AND SUBMIT A RETURN

2.3.1 EFILING

- The quickest, easiest and most convenient way to obtain an ITR12T return is to register as an eFiler on www.sarsefiling.co.za, request the return and then customise it by completing the questions on the first page of the return.
- Any trust which had more than 10 beneficiaries at any time during the year of assessment (YOA) is required to register and submit the ITR12T via eFiling. Trusts with less than 10 beneficiaries may voluntarily register and submit via eFiling.

2.3.2 SARS BRANCH

- Trusts that are not registered for eFiling and have less than 10 beneficiaries may visit any of the SARS branches by walk in appointment only or voice calls or video calls interaction with a SARS branch agent, refer to GEN-BO-09-G01 - Book an Appointment at a SARS Branch - External Guide to submit the return.
- All the necessary information required to complete the ITR12T return must be collected, calculated and consolidated **prior** to visiting a SARS branch.
 - The SARS official at the branch will not assist with the interpretation of the financial statements or other information and will only capture the information prepared by you.
 - An example of the trust income tax return is available on the SARS website to assist with the information required to complete the return.
 - SARS recommends that you consult a registered tax practitioner of your choice should you require assistance in this regard.
- If the trust return, financial information or other relevant material has not been prepared for capturing, the SARS agent will not be able to finalise the return.
- As part of the SARS Go-Green initiative to decrease the use of paper, SARS officials at the branch will not print a copy of the ITR12T return that has been submitted.

Note: SARS no longer accepts copies of the ITR12T return sent via post or via the SARS drop box.

2.4 REQUEST FOR CORRECTION (RFC)

- The trust representative/tax practitioner may submit a corrected version of the ITR12T return via the following channels:
 - eFiling if the Trust has been registered for eFiling
 - The SARS branch walk in by appointment only, voice calls, or video calls for interaction with a SARS branch agent.
- If a correction is done on eFiling, the ITR12T return will be pre-populated with the most recent information submitted to SARS. You must correct the applicable fields on the return. A new version number will automatically be allocated to the amended return.
- If a correction is requested for a return previously submitted in an older format (e.g. original return submitted in February 2017 and correction requested in March 2018):
 - eFiling will display a message indicating that the return will be converted to the new ITR12T format for completion
 - This new version return will only be pre-populated with minimal data that could be transferred from the old format return.
 - In this instance, the original ITR12T must be printed via eFiling and the applicable information should be re-captured onto the new version of the return.
- Once a corrected ITR12T has been submitted, no action can be taken on the previous version, as it will be replaced by the new version.

NOTE: A request for correction will not be allowed if the following conditions exist for

the year of assessment:

- **An audit case has been finalized; or**
- **A revised declaration or agreed estimate was performed by a SARS user; or**
- **The relevant material has been submitted by taxpayer since a compliance audit case was created; or**
- **An active limited / full scope audit case exists.**

2.5 DOCUMENTATION REQUIRED TO COMPLETE A RETURN

- The following schedules (available on www.sars.gov.za) must be completed and attached to the ITR12T as relevant material (where applicable to the trust):
 - A trust that conducted mining activities must complete the “GEN-001 - Mining schedule”
 - If the trust, together with any connected person in relation to the trust, holds at least 10% of the participation rights in any controlled foreign company (CFC), complete the IT10 schedule:
- The trust is required to keep all the relevant material (i.e. supporting documents) for a period of five (5) years from the date of submission of the return. SARS may, within the 5 year period, request these documents to verify the information that was declared on the ITR12T.
- If the return is submitted at a SARS branch, the example of the trust income tax return (available on the SARS website) must be completed and presented to the SARS agent for capturing.

2.6 WHEN MUST THE COMPLETED ITR12T BE SUBMITTED

- The due date for submission of income tax returns for trusts is published annually in the Government Gazette. Every year SARS embarks on an extensive publicity campaign to inform taxpayers of the deadline for the year.
- If the ITR12T return is not submitted by the relevant deadline, the trust will be liable for an administrative penalty due to non-compliance.

2.7 PAYMENT DUE DATE

- The payment due date the way is calculated, displayed and explained on the Notice of Assessment (ITA34T) is not currently aligned with legislation.
- Explanatory notes has been added to the ITA34T explaining the payment due date, and will display when relevant;
- The ability to extend the “Second due Date/Interest Free Period/Grace Period” has been added to enable SARS users to deal with objections.

2.8 NOTICE OF ASSESSMENT (ITA34T)

- The ITA34T will display both the payment due date and the interest free period/grace period to align with the provisions of section 89(2) of the IT Act.
- The payment due date will reflect as the 1st day of the following month after an assessment was raised and the interest free period/grace period will reflect as the end

of the month of the payment due date.

2.9 ESTIMATED ASSESSMENTS

- Once the filing period for trusts ends, SARS will raise original estimated assessments on Income Tax Returns for Trusts (ITR12T) that were not officially filed by the taxpayer.
- After the estimate assessment has been raised by SARS, the taxpayer will be allowed to request an original (new) return to be submitted to SARS. The same estimated return will be issued on eFiling, with a new version number of the return to be completed. The taxpayer will be able to request a correction after the original return has been submitted, until one or two rejection letters have been received from SARS. Thereafter, the taxpayer will have the option to dispute the decision taken by SARS. Refer to the SARS website at www.sars.gov.za for more information on the dispute process.

2.10 REJECTED TAX CALCULATION DUE TO INVALID TAX DIRECTIVE

- If you request a tax calculation for a Trust return with a lump sum amount on a IRP5 certificate, SARS will perform verifications and one of the following messages may be displayed instead of the Tax Calculation, if the verification is unsuccessful:
 - **IRP5 Tax Directive No. invalid**
 - *Please note that this tax return was not processed, the Directive No. XXXXXXXXXXXXXXXX captured on the IRP5 differs with the directive number issued by SARS. Please contact the Fund Administrator/Employer to rectify the error and resubmit the return.*
 - **IRP5 Lump sum accrual date invalid**
 - *Please note that this tax return was not processed because the accrual date on the IRP5 certificate does not match the one issued by SARS, on Directive No. XXXXXXXXXXXXXXXX. You can access a copy of the Tax Directive on eFiling or MobiApp. Urgently contact the Fund Administrator/Employer to correct the error and submit the corrected tax return*
 - **IRP5 Lump sum source code Invalid**
 - *Please note that this tax return was not processed because the Lump Sum source code on the IRP5 certificate does not match the one issued by SARS, on Directive No. XXXXXXXXXXXXXXXX. You can access a copy of the Tax Directive on eFiling or MobiApp. Urgently contact the Fund Administrator/Employer to correct the error and submit the corrected tax return.*
 - **IRP5 Lump Sum amount invalid**
 - *Please note that this tax return was not processed because the Lump Sum amount on the IRP5 certificate does not match the one issued by SARS on Directive No. XXXXXXXXXXXXXXXX. Urgently contact the Fund Administrator/Employer to correct the error and submit the corrected tax return.*
 - **IRP5 Lump sum amount missing**
 - *Please note that this tax return was not processed because SARS issued a Tax Directive No. XXXXXXXXXXXXXXXX, but there is no Lump Sum*

amount declared on the return. You can access a copy of the Tax Directive on eFiling or MobiApp. Urgently contact the Fund Administrator/Employer to correct the error and submit the corrected tax return

▫ **Directive number invalid for Taxpayer**

- *Please note that this tax return was not processed because SARS does not have a Tax Directive issued to the taxpayer. Tax Directive No. xxxxxxxxxxxxxxxx on your IRP5 is invalid. You can access a copy of the Tax Directive on eFiling or MobiApp. Urgently contact the Fund Administrator/Employer to correct the error and submit the corrected tax return.*
- Once the Fund Administrator or Employer has corrected the error either on the IRP5/IT3(a) certificate to correspond with the information on the tax directive or the directive has been corrected to correspond with the information on the IRP5/IT3(a) certificate with SARS, you will be able to proceed to submit the trust return. Ensure that you refresh the IRP5/IT3(a) data before completing the return.

2.11 HTML5

- 'HTML5' refers to 'Hyper Text Mark-up Language' and is a type of technology used for structuring and presenting content on websites. Some of the advantages of HTML5 is that it is compatible with multiple web browsers (e.g. Google Chrome, Edge, Firefox, Safari, Opera) and it offers improved access to users irrespective of the screen size, orientation and resolution of their devices.
- The look and feel of the individual income tax return has changed from the 2019 filing season. The return is built in "HTML5". The advantage of this is that it allows the return to be accessed on multiple platforms including desktop, tablet and mobile devices and is intended to provide you with a better user experience.

3 GETTING STARTED

- The registered particulars of a trust (including trustee particulars, address/contact details and bank account details) must be verified and updated prior to requesting an ITR12T on eFiling.
- To verify and update registered details, the taxpayers can:
 - Click on **Maintain SARS Registered Details** on eFiling; or
 - Visit a SARS branch by walk in appointment only, voice calls, or video calls for interaction with a SARS branch agent.
- For bank account and trustee updates, the required relevant material must be presented at the SARS branch.
- For more information on how to update registered information, refer to the external guide **How to Complete the Registration Amendments and Verification form (RAV01)** which is available on the SARS website.

Note that Your IRP5 data will be pre-populated on your ITR12T return for years from 2016 onwards. To amend the pre-populated information on your return, please consult your employer or representative.

4 INFORMATION TO CREATE THE INCOME TAX RETURN FOR A TRUST (TAX FORM WIZARD)

- The purpose of the tax form wizard section of the ITR12T is to customise the contents of the ITR12T return to the particular circumstances of the trust:

- The following warning message will be displayed. Click on the **OK** button to proceed:

'Please note that you cannot alter nor delete data provided by your Employer / Service provider. If the information on this form is incorrect, please contact your employer or service provider to have the information corrected and re-submitted to SARS. Note: To expedite the refund processing, please ensure that all banking details are correct. If you need any more information, simply visit www.sars.gov.za.'

- The "Tax Form Wizard" is described below under the **Trust Information** following tabs on the ITR12T return:
 - Trust Information Details;
 - Voluntary Disclosure Programme;
 - Reportable Arrangements;
 - Local Income;
 - Foreign Income;
 - Capital Gain/Loss;
 - Amounts non-taxable;
 - Donations;
 - Deductions for SARS interest repaid(s7F);
 - Venture Capital Companies;
 - Investments;
 - Tax Credits (excluding PAYE on Lump Sum benefit(s));
 - Partnership Information;
 - Trust Participants.

4.1 TRUST RETURN INFORMATION

- **'Have the banking, contact and trustee details of the trust been verified and confirmed as correct?'** (Select 'Y' or 'N')
 - This question is intended to determine if the registered information of the trust is up to date.
 - On eFiling
 - If you answer 'N' to this question, a pop-up message will be displayed indicating that the "return cannot be filed until banking, contact and trustee details of the trust have been verified and confirmed as correct.
 - Click "Ok", and then save the return.
 - Select "Maintain Legal Entity Details" to amend the banking, contact and trustee details. For more information on how to update registered information, refer to the external guide "How to Complete the Registration Amendments and Verification form (RAV01)".
 - Once the details have been updated, continue with the completion of the return.

Note that if the return is submitted at a SARS branch, the SARS official will request the necessary supporting information to update banking or personal details. Please ensure that you have all the necessary information beforehand in order to avoid having to revisit the branch.

- **'Is the trust a Collective Investment Scheme?'** (Select 'Y' or 'N')
 - If 'Y', the "Trust Participants" container will not be displayed.
 - If 'N', answer the question –
- **"Is the trust an Employee Share Incentive Scheme?"**
 - If 'Y', the Trust Participants" container will be displayed.
- **'Is the declaration made by a tax practitioner?'** (Select 'Y' or 'N').
 - If 'Y' is selected, the Tax Practitioner section of the return must be completed.
 - If the answer to the question "Is the declaration made by a tax practitioner?" is changed from **'Yes'** to **'No'**, a pop up message will be displayed. Note the warning message displayed.
- **'Does any declaration in this return relate to an application made under the SARS Voluntary Disclosure Programme?'** (Select 'Y' or 'N')
 - If the trust voluntarily applied to SARS to disclose defaults or non-compliance, select 'Y' and complete the Voluntary Disclosure Programme section of the return.
 - If the answer to the question for SARS Voluntary Disclosure Programme is changed from **'Yes'** to **'No'**, a pop up message will be displayed. Note the warning message displayed.
- **'Did the trust enter into any reportable arrangement in terms of s34-39 of the Tax Administration Act?'** (Select 'Y' or 'N')
 - Select 'Y' if the trust applied to SARS for an arrangement or agreement for a reduction of a tax liability, including interest and any other amounts related to the financial expenses incurred as a result of non-compliance or debt outstanding, and SARS issued a reportable arrangement reference number.
 - Specify the number of reportable arrangements entered with SARS. The number captured must be between 1 and maximum of 100.
 - The Reportable Arrangement section of the return must be completed.

4.2 LOCAL INCOME

- **'Was any local income received by and / or accrued to the trust during the year of assessment?'** (Select 'Y' or 'N')
 - If 'Y' is selected, indicate the type of local income received or accrued to the trust:
 - **'Remuneration'**
 - If 'Y' complete the "Local Remuneration" section
 - **'Annuities'**
 - If 'Y' complete the "Local Annuities" section.
 - **"Lump Sum Benefits Received or Accrued"?** (Select Y or N).
 - If "Y" is selected in the wizard question "Lump Sum Benefits Received or Accrued" and entered the "Number of lump sum benefits or accrued" in the wizard sub-question.
 - **'Interest (excluding SARS interest)'**
 - If 'Y' complete the "Local Interest" section
 - **SARS Interest**

- This field is applicable from the 2019 year of assessment onwards.
- If 'Y' complete the "SARS Interest" section
- **'Dividends deemed to be income i.t.o s8E and s8EA'**
 - This field is applicable from the 2017 year of assessment onwards
 - If 'Y' complete the "Dividends deemed to be income i.t.o. s8E and s8EA" section of the return
- **'Distributions from Real Estate Investment Trusts (REIT)'**
 - If 'Y' complete the "Distribution from Real Estate Investment Trust (REIT)" section.
 - This field is applicable from 2015 onwards
- **'Local Rental Income from the letting of Fixed Property'**
 - If 'Y' complete the "Local Rental Income from the letting of Fixed Property" section
- **'Business, trade (including Crypto Asset(s)) or professional income (excluding Rental Income from the letting of Fixed Property and Farming)'**
 - If 'Y' complete the "Business, trade or professional income (excluding Rental income from the letting of Fixed Property and Farming)" section
- **'Farming Income'**
 - If 'Y' complete the "Income from Local Farming Operations (IT48)) section
 - **Did the trust participate in any local farming partnership operations?** (Select 'Y' or 'N')
 - If 'Y' to the above question indicate **'How many farming partnership operations did the trust participate in?'** Enter a value between 1 and 20.
 - Note that this field will be pre-populated if the trust previously had farming income
- **'Other local income (excluding income listed above)'**
 - If 'Y' complete the "Other Local Income" section.

4.3 FOREIGN INCOME

- **'Was any foreign income received by and / or accrued to the trust during the year of assessment?'** (Select 'Y' or 'N')
 - If 'Y' indicate the type of foreign income received or accrued to the trust:
 - **'Interest'**
 - If 'Y' complete the "Foreign Interest Income" section
 - **'Dividends'**
 - If 'Y' complete the "Foreign Dividend Income" section
 - **'Capital Gain/Loss'**
 - This field is applicable only to the 2015 year of assessment and prior years.
 - If 'Y' complete the "Foreign Capital Gain/Loss" section
 - **'Farming'**
 - If 'Y' complete the "Foreign Farming Income" section.
 - **'Imputed Net Income from Controlled Foreign Companies'**
 - If 'Y' complete the "Imputed Net Income from Controlled Foreign Companies" section
 - **'Other foreign income (excluding income listed above)'**
 - If 'Y' complete the "Other Foreign Income" section.

Note that if the answer to the question changed from 'Y' to 'N', a warning message will be displayed. Please note the message and click on the 'Ok' button to proceed.

4.4 CAPITAL GAIN / LOSS

- This section is mandatory and applicable from the 2016 year of assessment onwards.
- **‘Did the trust dispose of any local assets attracting capital gain or loss (including Crypto Asset(s))?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ indicate the number of disposals made.
- **‘Did the trust dispose of any foreign assets attracting capital gain or loss (including Crypto Asset(s))?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ indicate the number of disposals made.
- **‘Did the trust receive capital gains from other local trusts?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’, the ‘Capital gain vested in this trust due to disposal of an asset(s) by another local trust’ section must be completed.
- **‘Did the trust receive capital gains from other foreign trusts?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ the ‘Capital gain vested in this trust due to disposal of an asset(s) by another foreign trust’ section must be completed.
- **‘Has any debt been reduced for no consideration which has the effect of reducing the assessed capital loss of the trust under paragraph 12A(4) of the Eighth Schedule?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ indicate if the reduction was i.r.o a local asset or whether the reduction was i.r.o a foreign asset.

4.5 AMOUNTS NON-TAXABLE

- **‘Did the trust receive any amounts considered non-taxable?’** (Select ‘Y’ or ‘N’)
 - Select ‘Y’ if the trust received income that should be exempt/non-taxable and complete the “Amounts considered non-taxable” section of the return.

4.6 DONATIONS

- **‘Does the trust want to claim donations made to approved organisations in terms of s18A that did not vest in any trust beneficiary?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ indicate: “How many approved organisations did the trust donate to?” (The maximum number allowed on the return is 99).

4.7 VENTURE CAPITAL

- **‘Did the trust invest in SARS approved Venture Capital Companies in exchange for shares from funds that did not vest in any trust beneficiary?’** (Select ‘Y’ or ‘N’)
 - If ‘Y’ is selected;
 - Specify the number of investments made in SARS approved Venture Capital Companies.
 - Complete the “Investment in venture capital (VCC) s12J” section.
- **‘Were any SARS approved Venture Capital Company shares sold for which a tax deduction was allowed to the Trust?’** (Select ‘Y’ or ‘N’)

- If 'Y' complete the "Recoupment i.r.o Venture Capital shares sold 12J" section.

4.8 TAX CREDITS ((EXCLUDING PAYE ON LUMP SUM BENEFIT(S))

- **'Will the trust be claiming any PAYE credits reflected on an IRP5 tax certificate (excluding PAYE on Lump Sum benefit(s))?' (Select 'Y' or 'N')**
 - If 'Y' specify the number of IRP5 tax certificates.
 - Complete the "PAYE credits available" section of the return.
- Prior to the 2017 year of assessment, the trust may qualify to claim a tax credit in terms of section 6quin in respect of foreign tax withheld by a foreign country on income from a South African source.
- However, should the resident trust receive a refund of the foreign tax withheld, or be discharged from a liability to pay such foreign tax, the amount refunded or discharged is treated as an amount of normal tax payable by the resident to the extent that a rebate was previously allowed by SARS. The following field is only applicable to the years prior to 2017 and will not appear on your ITR12T return from the 2017 year of assessment onwards.
- **'Will the trust be claiming any foreign tax credits in terms of s6quin?' (Select 'Y' or 'N')**
 - If 'Y' complete the section "Foreign Tax Credits - South African Sourced Income (already elsewhere included on this return) – s6quin".
- **'Will the trust be claiming a deduction on SA sourced trading income i.t.o. s6quat (1C)?' (Select 'Y' or 'N')**
 - If 'Y' complete the section "Deduction i.t.o. s6quat(1C) for foreign taxes paid or proved to be a foreign government of any country on any SA sourced trade income that did not vest in any trust beneficiary".
- **'Were any foreign tax credits refunded/discharged during the year of assessment for which a rebate/deduction was allowed during a previous year of assessment?' (Select 'Y' or 'N')**
 - If 'Y' complete the section "Foreign Tax Credits - Refunded / Discharged by the government of a Foreign Country in respect of a rebate allowed by SARS in a previous year – s6quin"

4.9 PARTNERSHIP INFORMATION

- **'Is the trust a partner in a partnership?' (Select 'Y' or 'N')**
 - If 'Y' indicate the number of partnerships. A numeric value between 1 and 99 can be entered in this field.

4.10 PARTICIPANTS IN TRUST TRANSACTIONS OR TRUST PARTICIPANTS

- The purpose of the questions in this section of the return is to provide details of transactions that may be taxable in the hands of the person (company, trust or natural person) who transacted with the trust during the particular year of assessment.
 - Note that this section will not be required for trusts that are 'Collective

Investment Schemes' or 'Employee Share Incentive Schemes'

- The following definitions are guidelines in respect of declaring contribution, distribution or donations in the context of trusts:
 - A contribution to a trust is normally made by the donor/founder/settlor of the trust (may be thought of as akin to a capital contribution to a company by a shareholder). A contribution can take the form of a donation, but not all donations are contributions. Where a donation is made by the founder/settlor/donor of the trust it should be treated as a contribution. In the context of a trading trust an amount contributed to the trust in exchange for the right to future benefits from the trust must also be treated as a contribution.
 - A distribution by a trust refers to amounts vested in the trust beneficiaries
 - A donation to a trust refers to amounts paid to the trust by a person (other than the donor/founder/settlor of the trust) in a manner that is gratuitous/with disinterested benevolence (i.e. not in exchange for a right to future benefits).
- **'Specify the number of persons or beneficiaries who during this year of assessment participated in any one or more of the following:'**
 - Is taxable on income/capital gains distributed to/vested in beneficiaries or taxable i.t.o. of s7 or paragraph 68 – 72 of the Eighth schedule
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received.
 - Paragraph 68 – 72 of the Eighth Schedule deals with Attribution of capital gains where a person has made a donation, settlement or other disposition.
 - Received a distribution/vesting of non-taxable income from this trust
 - Received a distribution/vesting of capital or assets from this trust
 - Had a loan agreement with the trust
 - Made/Received donation(s)/contribution(s) to/from this trust
 - Received distributions from other trusts or foundations
 - Received a return of contribution(s) made to this trust
 - Had granted the right of use of asset(s) retained in this trust

5 COMPLETION OF THE TRUST RETURN

5.1 TRUST PARTICULARS

- The following fields are pre-populated on the return and cannot be edited:
 - **'Taxpayer Ref No' – Taxpayer Reference Number;**
 - **'Year of Assessment';**
 - **'Registered Name';**
 - **'Trust Reg No' - Trust Registration Number;**
 - **'Date registered at Master's Office';**
 - **'Master's office of trust registration'.**
- Indicate the **'Residency for income tax purposes'**
 - Example: South Africa = ZAF.
 - Refer to Appendix A of this guide for a list of country codes.
- Indicate the **'Main Income Source Code'**
 - To access the list of source codes, please refer to the "Find a Source Code" tool which is available on the SARS website www.sars.gov.za
- **'Trust Type':**

- This field will be pre-populated from 2008 onwards. For years prior to 2008, the user may select the appropriate 'Trust Type'.
- Note the trust type definitions below:
 - **'Inter Vivos/ Testamentary'**
 - **'Inter Vivos'** – a trust set up during the lifetime of a person.
 - **'Testamentary'** – a trust set up in terms of the last will of a deceased person.
 - **'Non Resident'** – Means any person who is not a "resident".
 - **'Special Type par(a)'** – a trust created solely for the benefit of one or more persons who are relatives of the founder and have a 'disability' as defined in section 6B(1) and such disability incapacitates such person from earning sufficient income for their maintenance, or from managing their own financial affairs. In order to be classified as a Special trust – Type A, approval must be obtained from SARS.
 - **'Special Type par(b)'** – a trust created in terms of the will of a deceased person and is solely for the benefit of beneficiaries who are his/her relatives, who are alive at the time of death, and of which the youngest is under the age of 18 at the end of the year of assessment.
 - **Personal Service Provider** - For the definition of a 'Personal Service Provider', refer to paragraph 1 of the Fourth Schedule to the Income Tax Act, No.58 of 1962.
 - **'Collective Investment Scheme'** – is a scheme, in whatever form, including an open-ended investment company where members of the public are invited to invest money or other assets in a portfolio and in terms of which two or more investors contribute money and hold a participatory interest in a portfolio of the scheme through shares, units or any other form of participatory interest. The investors share the risk and the benefit of investment in proportion to their participatory interest in a portfolio of a scheme or on any other basis determined in the deed.
- Indicate the **'Income Rights'** of the trust:
 - **'Vesting'** – Under a vesting trust the beneficiaries have a vested right to the income (revenue) of the trust.
 - **'Discretionary'** – Under a discretionary trust the trustees have the discretion as to whether and how much of the income of the trust to distribute to the beneficiaries. In these circumstances the beneficiaries merely have contingent rights to the income of the trust
 - Note that either one or both of the options must be selected.
- Indicate the **'Capital Rights'** of the trust:
 - **'Vesting'** – Under a vesting trust the beneficiaries have a vested right to the capital of the trust.
 - **'Discretionary'** – Under a discretionary trust the trustees have the discretion as to whether and how much of the capital of the trust to distribute to the beneficiaries.
 - Note that either one or both of the options must be selected.

5.2 TAX PRACTITIONER DETAILS

- This section of the return must only be completed if you selected 'Y' to the question "Is the declaration made by a registered tax practitioner?" on the "Tax Form Wizard" section of the return.

- If a tax practitioner completes and submits a return on behalf of the trust, provide the following details:
 - **'Tax Practitioner Registration Number.'** – This field is mandatory. The first 2 characters must be 'PR' followed by 7 alphanumeric characters.
 - **'Tax Practitioner Telephone Number'** – This field is mandatory
 - **'Email Address'–**
 - If the tax practitioner does not have an email address, indicate this by selecting the field 'Mark here with an 'X' if you declare that you do not have an email address.'

5.3 PERSONAL SERVICE PROVIDER

- Select 'Y' or 'N' to indicate if the trust is a Personal Service Provider.

5.4 VOLUNTARY DISCLOSURE PROGRAMME (VDP)

- The purpose of the VDP is to allow taxpayers an opportunity to regularise their tax affairs with SARS.
 - Taxpayers must voluntarily apply to SARS to disclose their defaults or non-compliance.
 - A VDP application number will be allocated by SARS.
 - Once the VDP application has been evaluated by the VDP Unit, and where voluntary disclosure relief is granted, a written agreement will be concluded between the taxpayer and SARS in order to effect the necessary assessments.
 - Should you require more information, a please refer to the Comprehensive Guide concerning VDP which is available on the SARS website www.sars.gov.za
- Complete the VDP application number issued by SARS
- Note that the VDP application number completed must be where there is an approved VDP agreement between SARS and the trust.

5.5 REPORTABLE ARRANGEMENT

- This section of the return will be repeated according to the number of reportable arrangements specified on the 'Reportable Arrangements' section of the "Information to create the Income tax return for a trust" displayed on the initial return page
- An arrangement is reportable if it is an arrangement that:
 - Results in a tax benefit and meets any of the other requirements in accordance with the Tax Administration Act.
 - Is deemed reportable by the Commissioner.
- On receipt of the prescribed information, the SARS official responsible for receiving Reportable Arrangements will issue a reportable arrangement reference number. Complete the **'reportable arrangement number'** on the return.
- Select 'Y' or 'N' to indicate if the trust is a party to any arrangements which has the following features:
 - **'Round trip financing (s80D)?'**
 - **'Elements that have the effect of offsetting or cancelling each other?'**
 - **'Presence of an accommodating or tax-indifferent party (s80E)?'**

5.6 RELATED INFORMATION

- From the 2015 year of assessment onwards, the questions in this section are mandatory.
- **'Is the trust incorporated, established or formed in the Republic or is the place of effective management in the Republic?'**
- **'Did the trust cease to be a resident during this year of assessment?'**
 - If 'Yes', indicate the 'Date on which the trust ceased to be a resident'
 - Please note that this date must fall within the year of assessment for which the return is being completed.
- **'Did the trust, together with any connected person in relation to the trust, hold at least 10% of the participation rights in any controlled foreign company (CFC)?'**
 - **'Please confirm that the applicable Schedule (IT10) has been completed and will be attached as a supporting document to this return'**
 - Select 'Y' or 'N'
 - Note that the IT10 which is available on the SARS website (www.sars.gov.za) is mandatory and must be submitted together with the ITR12T return.
 - **'Specify the number of CFC's?'**
- **'Was the trust engaged in mining or mining operations as defined in s1 of the Income Tax Act?'**
 - **'Please confirm that the Mining Schedule (Schedule A and B) has been completed and will be attached as a supporting document to this return (refer to guide)?'**
 - Select 'Y' or 'N'
 - The mining schedule (GEN-001) which is available on the SARS website (www.sars.gov.za) is mandatory and must be submitted together with the ITR12T return.
- **Did the trust comply with all qualifying provisions of a special trust as defined in s1 of the Income Tax Act during the year of assessment?**
 - Select 'Y' or 'N' to indicate if the trust qualifies as a special trust.
 - The qualifying provisions of a special trust are described in section 2.2 of this guide
 - **If yes, was the Trust founded with a Trust Deed?**
 - Note that this field is applicable from the year 2008 onwards.
- **'Were any changes made during the year of assessment to the trustees?'**
 - Select 'Y' or 'N' to indicate if there were any changes during the year of assessment to the composition of the board of trustees. This would be in a case where trustees were added or removed.
- **'Were any changes made during the year of assessment to the beneficiaries?'**
 - Select 'Y' or 'N' to indicate if any beneficiaries were added or removed.
- Indicate if there **'Were any changes made during the year of assessment to the trust deed?'**
 - **'If yes, where beneficiaries have a vested right to the trust's asset(s), has**

the change in the trust deed affected any of the beneficiaries' vested interest in the trust's asset(s)?'

- **'Did any amounts distributed by the trust or retained in the trust arise because of a donation, settlement or other disposition to this trust?'**
- **'Is this trust a beneficiary of another trust or are other trust(s) beneficiaries of this trust?'**

5.7 DECLARATION

- The representative taxpayer is obliged to ensure that complete and accurate disclosure is made of all relevant information required on the Income Tax Return for Trusts. Misrepresentation, neglect or omission to furnish such information or furnishing false information may result in penalties and/or additional tax assessments (together with interest) and/or prosecution.
- After completion of the return, read the declaration on the front page of the return.
 - I declare that: ·I am the duly appointed Representative of the trust·
 - The information furnished in this return is to the best of my knowledge both true and correct·
 - I have disclosed the gross amounts of all income received and / or accrued to this trust during the period covered by this return
 - I have the necessary financial records and supporting schedules to support all declarations on this return which I will retain for audit purposes.

6 STATEMENT OF ASSETS AND LIABILITIES

- This section is mandatory from the 2016 year of assessment onwards. Use the financial statements to complete the applicable line items in this statement. If an asset or liability is not applicable to the trust, insert a zero in that field. For foreign assets and liabilities, only the aggregate amounts must be completed.

6.1 ASSETS

- A cost value (historic cost) for the local assets owned by the trust must be declared in this section of the return. Complete the following fields as per the amounts on the financial statements:
 - **'Fixed property and all improvements to property'**
 - Complete the value of the property and the value of all improvement costs i.e. any extension, addition, or improvements other than repairs to the property in order to increase or improve the industrial capacity of the property.
 - **'Shares in private companies or members interest in Close Corporation'**
 - Complete the value of any interest that the trust holds in private companies or member's interest in Close Corporation.
 - **'Loan: Interest Bearing'**
 - **'Loan: Interest Free'**
 - **'Financial instruments listed (Shares, Unit Trusts, etc.) excl. Crypto Asset(s)'**
 - **'Financial instruments (Crypto Asset(s))'**
 - **'Net capital of business, trade, profession or farming'**
 - **'Equipment, Machinery, Implements'**
 - **'Motor vehicle, Caravans, Boats'**
 - **'Debtors'**

- **‘Stock’**
 - Complete the value of the stock and produce at hand as per the financial statements. This will be the closing stock held by the trust at the end of the financial year end.
 - **‘Livestock – elected value(s)’**
 - Complete the value of the livestock the trust owns based on the elected values.
 - The trust may select to value the livestock using standard values as per paragraph 5 or 6 of the First Schedule to the Act
 - If paragraph 6 is selected the values must not differ by more than 20% (higher or lower) from the standard values fixed by regulation in the Government Gazette
 - **‘Cash on hand, in bank and other similar institutions’**
 - **‘Personal effects (e.g. Jewellery, Paintings, Furniture, etc.)’**
 - **‘Other assets’**
 - Complete this field if there other assets not listed above.
 - **‘Please provide descriptions relating to other assets listed above’**
 - Provide descriptions relating to the assets not listed above.
 - This field is mandatory if “Other assets” above is completed.
 - **‘Total Local Assets’**
 - This is the sum of all Local Assets. This field will be automatically calculated on the return for eFiling.
- **‘Foreign Assets’** – The foreign currency value must be converted to South African Rands using the spot rate as at the end of the year of assessment in which the asset was acquired.
- **Total Assets (Local and Foreign)** – This field is automatically calculated as follows: ‘Total Local Assets’ + ‘Total Foreign Assets’

6.2 LIABILITIES

- Complete the following local liabilities as per the amounts on the financial statements:
 - **‘Mortgage Bonds’**
 - **‘Loan: Interest Bearing’**
 - **‘Loan: Interest Free’**
 - **‘Creditors’**
 - **‘Bank Overdraft’**
 - **‘Other liabilities’**
 - **‘Please provide descriptions relating to other liabilities listed above’**
 - Provide descriptions relating to other liabilities not listed above.
 - This field is mandatory if the field “Other liabilities” (above) has been completed.
 - **‘Total Local Liabilities’**
 - This is the sum of all Local Liabilities. This field will be automatically calculated on the return for eFiling.
- **‘Foreign Liabilities’** – the foreign currency value must be converted using the spot rate as at the end of the year of assessment.
- **Total Liabilities (Local and Foreign)** - This field is automatically calculated as follows: ‘Total Local Liabilities’ + ‘Total Foreign Liabilities’

6.3 TRUST CAPITAL

- Insert the **‘Retained Earnings’** amount as per the financial statements. You can enter

a negative sign (-) to indicate a debit balance.

7 LOCAL INCOME

7.1 LOCAL REMUNERATION

- This section will display if you selected 'Y' to the question "*Indicate the type of local income received / accrued to the trust: Remuneration*" on the tax form wizard of the return.
- Use the financial statements to determine the amount of taxable remuneration income that would be available for distribution. For example, the following remuneration may have been received by or accrued to the trust:
 - Annual Bonus;
 - Commission;
 - Pension;
 - Salary.
- Complete the following fields which are mandatory from the 2015 year of assessment onwards:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable expenses attributable to local remuneration (excluding donations)'**
 - **'Taxable amount available for distribution / Assessed loss retained in trust'**
 - **'Less: Amount distributed to/vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules/conditions when income is deemed to have accrued or to have been received.
 - The amount cannot be greater than the taxable amount available for distribution. An assessed loss cannot be distributed to/vested in beneficiaries.
 - **'Taxable in Trust'** – This field will be automatically calculated on the return as follows:
 - Taxable amount available for distribution / assessed loss retained in trust
 - Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7
 - **'Source Code'** – The source code must be within the following:
 - 3601 – Income: Taxable;
 - 3602 – Income: Non-taxable;
 - 3603 – Pension – Taxable;
 - 3604 – Pension – Non-Taxable;
 - 3605 – Annual Payment – Taxable;
 - 3606 – Commission;
 - 3616 – Independent Contractors;
 - 3617 – Labour brokers;
 - 3620 – Director Fees RSA Resident;
 - 3621 – Director Remuneration Non-Resident;
 - 3667 – Foreign Labour brokers;
 - 3670 – Directors Fees RSA Resident for Foreign Service Income;
 - 3719 – Paragraph (dd) of the Provisio to s10(1)(k)(i) Local dividend;
 - 3720 – Paragraph (ii) of the Provisio to s10(1)(k)(i) Local dividend;
 - 3721 – Paragraph (jj) of the Provisio to s10(1)(k)(i) Local dividend.
- Please note that Local Remuneration cannot create an assessed loss.

7.2 LOCAL ANNUITIES

- This section will display if 'Y' was selected to the question "*Indicate the type of local*

income received / accrued to the trust: Annuities" on the tax form wizard of the return.

- Use the financial statements to complete the following fields which are mandatory from the 2015 year of assessment onwards:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable expenses attributable to the local annuities (excluding donations)'**
 - **'Taxable amount available for distribution / Assessed loss retained in trust'**
This field is automatically calculated on the return for both eFiling and branch submissions from the 2016 year of assessment onwards as follows:
 - **Gross receipts and accruals**
 - **Less:** Expenses (excluding donations)
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. The amount cannot be greater than gross receipts and accruals.
 - **'Taxable in Trust'** – This field will be automatically calculated on the return as follows:
 - Gross receipts and accruals
 - Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7
 - **Source Code:** Complete 3610 or 3611 as source code.
 - 3610 – Annuity from Retirement Fund
 - 3611 – Purchased Annuities Taxable
- Please note that Local Annuities cannot create an assessed loss.

7.3 LUMP SUM BENEFITS RECEIVED OR ACCRUED

- Complete the following if a taxpayer selected Yes in the wizard question "Lump Sum Benefits Received or Accrued" and entered the "Number of lump sum benefits or accrued" in the wizard sub-question.
 - **'Gross Lump Sum (as per IRP5/IT3(a))';**
 - Use the IRP5/IT3(a) to complete the following fields which are mandatory from the 2022 year of assessment onwards and this fields can be repeated at the maximum of 20 times.
 - **'Source Code';**
 - Code 3915;
 - **'Tax Directive Number (as per IRP5/IT3(a) certificate)';**
 - **'IRP5/IT3(a) Certificate Number';**
 - **'PAYE on Lump sum benefit'.**
 - Source code 4115.
- Note: The IRP5/IT3(a) tax certificate will be pre-populated in this section where the Fund submitted the record to SARS, if not, it must be captured manually onto the return based on the IRP5/IT3 (a) tax certificate.

7.4 LOCAL INTEREST (EXCLUDING SARS INTEREST)

- This section will display if you selected 'Y' to the question "*Indicate the type of local income received / accrued to the trust: Interest*" on the tax form wizard of the return.

- Use the financial statements to complete the following fields which are mandatory from the 2015 year of assessment onwards:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable expenses attributable to local interest (excluding donations)'**
 - **'Taxable amount available for distribution / assessed loss retained in trust'**
This field will be automatically calculated as follows:
 - Gross receipts and accruals
 - Less: Expenses (excluding donations)
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. The amount cannot be greater than the taxable amount available for distribution. An assessed loss cannot be distributed to / vested in beneficiaries.
 - **'Taxable in Trust' – This field will be automatically calculated as follows:**
 - Taxable amount available for distribution / assessed loss retained in trust.
 - **Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7.**
 - **'Source Code'**
 - The field will be pre-populated with code 4201
- Please note that Local Interest cannot create an assessed loss.

7.5 SARS INTEREST

- This section will display if you selected 'Y' to the question *"Indicate the type of local income received / accrued to the trust: SARS Interest"* on the tax form wizard of the return.
- Complete the following fields which are mandatory from the 2019 year of assessment onwards:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable administration expenses attributable to SARS interest (excluding donations)'**
 - **'Taxable amount available for distribution / assessed loss retained in trust'**
This field will be automatically calculated as follows:
 - Gross receipts and accruals
 - Less: Allowable administration Expenses (excluding donations)
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. The amount cannot be greater than the taxable amount available for distribution. An assessed loss cannot be distributed to / vested in beneficiaries.
 - **'Taxable in Trust' – This field will be automatically calculated as follows:**
 - Taxable amount available for distribution / assessed loss retained in trust.
 - **Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s 7.**
 - **'Source Code'**
 - The field will be pre-populated with code 4237

7.6 DISTRIBUTIONS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS (REIT)

- This section will display if 'Y' was selected for the question: *"Indicate the type of local income received / accrued to the trust: Distribution received from a real estate investment trust (REIT)"* on page one of the return.
- Use the financial statements to complete the following fields:

- **'Gross receipts and accruals'**
- **'Less: Allowable expenses attributable to REIT distributions received (excluding donations)'**
- **'Taxable amount available for distribution / assessed loss retained in trust'**
This field will be automatically calculated as follows:
 - Gross Receipts and Accruals
 - Less: Expenses (excluding donations)
- **'Less: Amount distributed to/vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules/conditions when income is deemed to have accrued or to have been received. The amount cannot be greater than the taxable amount available for distribution. An assessed loss cannot be distributed to / vested in beneficiaries.
- **Taxable in Trust** – This field will be automatically calculated as follows:
 - Taxable amount available for distribution/assessed loss retained in trust
 - Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7.
- **'Source Code'**
 - The field will be pre-populated with code 4238.

7.7 DIVIDENDS DEEMED TO BE INCOME I.T.O. S8E AND S8EA

- Sections 8E and 8EA of the Income Tax Act were amended to include any right or interest where the value of that right or interest is directly or indirectly determined with reference to a share or an amount derived from a share i.e. equity instruments treated as hybrid instruments. The effect of the amendment is that dividends received by persons i.r.o. those equity instruments must be deemed to be income.
- Complete the following if applicable to the Trust:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable expenses attributable to dividends deemed to be income (excl. donations)'**
 - **'Taxable amount available for distribution/assessed loss retained in trust'**
 - This field will be auto calculated
 - Negative currency amounts are allowed
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - The amount in this field cannot exceed the value of the "Taxable amount available for distribution/assessed loss retained in trust"
 - This field will be locked if the "Taxable amount available for distribution/assessed loss retained in trust" results in a negative value.
 - **'Taxable in Trust'**
 - This amount is auto calculated as follows:
 - 'Taxable amount available for distribution/assessed loss retained in trust'
 - **Less** 'Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'
 - This field will default to zero and will be locked if the "Taxable amount available for distribution/assessed loss retained in trust" is less than or equal to zero.
 - **'Source Code'**
 - Code 4292 will be pre-populated in this field.

7.8 OTHER LOCAL INCOME

- This section will display if you selected 'Y' to the question *"Indicate the type of local income received / accrued to the trust: Other local income"* on page one of the return.
- 'Other Local Income' declared in this section excludes local income from

Remuneration, Annuities, Interest, Dividends i.t.o. s8E and s8EA (from 2017 YOA onwards), REIT, Rental from the letting of Fixed Property, Capital Gains/ Losses, Farming and Business/ Trade/ Professional.

- Complete the applicable fields below:
 - **'Gross receipts and accruals'** – complete the total amount of the receipts and accruals relating to other local income as per the financial statements.
 - **'Less: Allowable Expenses attributable to other income (excluding donations)'**
 - **'Add: Expenses incurred i.r.o. right of use of trust assets by beneficiaries / other persons'**
 - **'Sub-total according to Income Statement'** – this field will be automatically calculated
 - **'Add: Non-taxable items and amounts claimed for accounting purposes'**
 - **'Less: Tax deductions and special allowances i.t.o. the Income Tax Act'**
 - **'Taxable amount available for distribution / Assessed loss retained in trust'**
 - this field will be automatically calculated as follows:
 - 'Sub-total according to income statement'
 - **'Add:** Non-taxable items and amounts claimed for accounting purposes'
 - **'Less:** Tax deductions and special allowances i.t.o. the Income Tax Act'
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. This amount must be limited to the Taxable amount available for distribution. An assessed loss cannot be distributed to / vested in a beneficiary.
 - **'Taxable in Trust'** – this field will be automatically calculated as follows:
 - 'Taxable amount available for distribution / assessed loss'
 - **'Less:** Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'
 - **'Source Code'** – Complete a valid source code within the following range:
 - 4212 - Royalties
 - 4213 - Royalties Loss
 - 4214 - Other Receipts and Accruals – Profit

7.9 LOCAL RENTAL INCOME FROM THE LETTING OF FIXED PROPERTY

- This section will display if 'Y' was selected for type of local income "Local Rental Income from the letting of Fixed Property" on the form wizard of the return
- Complete the following fields as per the income statement:
 - **'Rental Income';**
 - **'Accounting fees';**
 - **'Agency fees';**
 - **'Bad Debts';**
 - **'Depreciation'**
 - **'Electricity / Rates and Taxes';**
 - **'Insurance';**
 - **'Interest / Finance Charges';**
 - **'Levies Paid';**
 - **'Repairs / Maintenance';**
 - **'Other Expenses (excluding expenses listed above)';**
 - **'Please provide descriptions relating to other expenses listed above';**
 - **'Total expenses:** This total is auto-calculated on the return.
 - **'Accounting Profit/Loss'** – This field is auto-calculated as follows:
 - Rental income,
 - Less: Total expenses
 - **'Add: Expenses incurred i.r.o. right of use of trust assets by beneficiaries / other persons';**

- **'Add: Amounts claimed for accounting purposes'**
- **'Less: Tax deductions and special allowances i.t.o the Income Tax Act'**
- **'Profit/loss'** – this field is auto-calculated as follows:
 - Accounting Profit/Loss,
 - Add: Expenses incurred i.r.o. right of use of trust assets by beneficiaries / other persons,
 - Add: Amounts claimed for accounting purposes,
 - Less: Tax deductions and special allowances i.t.o. the Income Tax Act.
- **'Is the trust a partnership?'** - select either "Yes" or "No".
- **'Less: Profit/Loss attributable to the partner(s)'** – only applicable if the trust is involved in a partnership
- **'Taxable amount available for distribution/ Assessed loss retained in trust'** – this field is auto-calculated as follows:
 - Profit/Loss,
 - Less: Profit/Loss attributable to partner(s).
- **'Less: Amount distributed to/vested in beneficiaries or taxable i.t.o. s7'**
- **'Taxable in trust'** – this field is auto-calculated as follows:
 - Taxable amount available for distribution/Assessed loss retained in trust,
 - Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7.
- **'Source Code'**
 - Source code 4210 will prepopulate for a profit and source code 4211 will prepopulate for a loss

7.10 LOCAL BUSINESS AND TRADING INCOME INCLUDING CRYPTO ASSET(S) (EXCLUDING RENTAL INCOME FROM THE LETTING OF FIXED PROPERTY AND FARMING INCOME)

- This section will display if 'Y' was selected for the question *"Indicate the type of local income received / accrued to the trust: Business, trade (including Crypto Asset(s)) or professional income (excluding Rental Income from the letting of Fixed Property and farming)"* on the form wizard of the return.
- Complete the following income fields as per the financial statements:
 - **'Turnover / Sales'**
 - **'Cost of Sales'**
 - **'Gross Profit / Loss'** – This field is auto-calculated as follows:
 - Turnover / Sales
 - Less: Cost of Sales
 - **'Income other than turnover'**
- For the requirements of expenditure and losses deductible for the purpose of determining the taxable income from carrying on trade by the Trust, refer to section 11 of the Income Tax Act. Complete the following expenditure fields as per the financial statements:
 - **'Accounting / Consulting / Trust fees';**
 - **'Bad / Doubtful debts';**
 - **'Capital allowances / Depreciation';**
 - **'Electricity / Rates and Taxes';**
 - **'Entertainment';**
 - **'Insurance (Business related)';**
 - **'Interest / Finance charges';**
 - **'Lease payments';**
 - **'Legal cost';**
 - **'Rental';**
 - **'Repairs / Maintenance';**
 - **'Royalties and licence fees';**
 - **'Salaries and wages';**

- **'Travel Costs';**
- **'Other expenditure (excluding items listed above)';**
- **'Please provide descriptions relating to the other expenditure listed above';**
- **'Total expenses (excl. Donations)';**
- **'Accounting Profit/Loss' – this field is calculated as follows:**
 - Gross Profit / Loss,
 - Add: Income other than turnover,
 - Less: Total expenses.

7.10.1 DEDIT ADJUSTMENTS (DECREASE NET PROFIT / INCREASE NET LOSS)

- **NON-TAXABLE AMOUNTS CREDITED TO THE INCOME STATEMENT**
- On eFiling click the dropdown button and select the items not credited to the income statement
- Below is a list of items available on the pop up screen. Insert the amount next to the applicable field:
 - **'Accounting interest received / receivable';**
 - **'Accounting profit on disposal of fixed and / or other assets';**
 - **'Amounts previously taxed as received in advance';**
 - **'Receipts and / or accruals of a capital nature';**
 - **'Reversal of provisions';**
 - **'Other (excluding items listed above)';**
 - **'Please provide descriptions relating to other listed above.'**
- **'Control Total' – This field will be automatically calculated**
- **SPECIAL ALLOWANCES NOT CLAIMED IN THE INCOME STATEMENT**
- On eFiling click the dropdown button and select the allowances not credited to the income statement.
- Below is a list of allowances available on the pop up screen. Insert the amount next to the applicable field:
 - **'Restraint of trade (s11(cA))'**
 - **'Wear and tear allowance (s11(e))'**
 - For more information refer to Interpretation Note: No. 47 on the SARS website
- From the 2020 YOA, 'Doubtful Debt Allowance (s11 (j))' will be replaced by 'Doubtful debt Allowance – IFRS applied s11(j)(i))' and 'Doubtful debt Allowance - IFRS not applied s11(j)(ii))'.
- Note that all the above mentioned "Doubtful Debt Allowance" fields will be displayed during the 2020 YOA. Only one of the three fields can be completed
 - **'Doubtful debt allowances (s11(j))'**
 - This field will not be displayed from the 2021 YOA onwards
 - **'Doubtful debt allowance – IFRS applied (s11(j)(i))'**
 - Applicable for 2020 tax year onwards
 - If the amount entered in this field is greater than zero, then the container "Information with regards to Doubtful Debt Allowance Claimed - IFRS Applied (s11(j)(i))", within the "Tax Allowances / Limitations" container will be displayed in the form.

- **‘Doubtful debt allowance – IFRS not applied (s11(j)(ii))’**
 - Applicable for 2020 tax year onwards
 - If the amount entered in this field is greater than zero, then the container “Information with regards to Doubtful Debt Allowance Claimed - IFRS not applied (s11(j)(ii))”, within the “Tax Allowances / Limitations” container will be displayed in the form.
- **Note that you can only enter a value in either the “Doubtful Debt allowance – IFRS applied (s11(j)(i))” or “Doubtful Debt allowance – IFRS not applied (s11(j)(ii))” but not on both fields.**
 - **‘Amortisation of lump sum contributed to retirement/benefit funds (s11(l))’**
 - **‘Depreciable asset allowance (s11(o))’**
 - Under s11(o), a taxpayer can elect to claim a loss in respect of the alienation, loss or destruction of a qualifying depreciable asset, where certain requirements are met.
 - For more information refer to Interpretation Note: No. 60 on the SARS website.
 - **‘Expenditure before commencing trade (s11A)’**
 - Pre-trade expenditure and losses are accumulated until trade commences.
 - If trading does not commence, no pre-trade expenses will be deductible.
 - Note: s11A is not limited to s11(a) expenses but all expenses under s11 (excluding s11(x)), s11B and s24J.
 - For more information refer to Interpretation Note: No. 33 on the SARS website
 - **‘Machinery, plant, implements, utensils and articles deduction (s12B)’**
 - **‘Manufacturers or hotelkeepers, aircraft, ship, storage and packing of agricultural products deduction (s12C)’**
 - **‘Pipelines, transmission and rail deduction (s12D)’**
 - **‘Rolling stock (s12DA)’**
 - **‘Airport and port assets (s12F)’**
 - **‘Learnership agreements registered /in effect (s12H) – excluding learners with a disability – agreements entered into on or before 1 October 2016’**
 - For more information refer to Interpretation Note: No. 20 on the SARS website
 - **‘Registered learnership agreements completed in current year (s12H) – excluding learners with a disability – agreements entered into on or before 1 October 2016’**
 - For more information refer to Interpretation Note: No. 20 on the SARS website
 - **‘Learnership agreements registered / in effect (s12H) for learners with a disability – agreements entered into before 1 October 2016’**
 - **‘Registered learnership agreements completed in the current year (S12H) for learners with a disability – agreements entered into before 1 October 2016’**
 - **‘Learnership Allowance: Agreements in effect / completed in current year (Agreements entered into on or after 1 October 2016): s12H’**
 - **‘Certified Emission Reductions Exemption (s12K)’**
 - **‘Allowance for energy efficiency savings (s12L)’**
 - **‘Exemption in respect of films (s12O)’**
 - **‘Deduction for building(s) used in a manufacturing process (s13)’**
 - Depending on the date of commencement of the erection of the building or improvements to the building, the building has to be wholly or mainly used by the taxpayer or the lessee during the year of assessment for the purpose of conducting in the building any process of manufacture, research and development or any process which in the opinion of the Commissioner is of a similar nature in the course of the taxpayer’s or lessee’s trade, but specifically excluding mining or farming. It is a question of fact, which must be determined on its merits on a case-by-case basis

whether a building or an improvement to a building meets these requirements.

- For more information refer to the 'Guide to Building on the SARS website'
- ▣ **'Hotel building deduction (s13bis)'**
 - S13bis provides for an allowance on the erection of hotel buildings or improvements to such buildings. The allowance is calculated on the cost of erecting the buildings and improvements (other than repairs) which meet certain criteria.
 - For more information refer to the 'Guide to Building on the SARS website'
- ▣ **'Residential buildings deduction (s13ter)'**
 - A residential building annual allowance and a residential building initial allowance were available to a taxpayer who erected residential units under a housing project under s13ter. This section applied to units that were erected on or after 1 April 1982 and before 21 October 2008.
 - For more information refer to the 'Guide to Building on the SARS website'
- ▣ **'Urban Development Zones (UDZ) (s13quat) – erection of a new building this year'**
 - S13quat provides for an allowance on the cost of the erection, extension, addition or improvement of any commercial or residential building or part of that building within an urban development zone, which is owned by the taxpayer and is used solely for purposes of that taxpayer's trade.
- ▣ **'Urban Development Zones (UDZ) (s13quat) – improvements this year'**
 - For more information refer to the 'Guide to Building on the SARS website'
- ▣ **'Commercial buildings deduction (s13quin)'**
 - S13quin provides for an allowance on any new and unused buildings or improvements that are used by the taxpayer wholly or mainly in the production of income in the course of a trade, other than the provision of residential accommodation. The allowance is not apportioned if the building is brought into use for part of the year of assessment.
- ▣ **'Residential units deduction (s13sex)'**
- ▣ **'Low cost residential unit deduction (s13sept)'**
 - An allowance under s13sept was introduced to offer relief to employers wishing to transfer ownership of low-cost residential housing to their employees by making use of interest-free loan financing. The section came into operation on 21 October 2008 and applies to a unit disposed of on or after that date and is subject to s 36.
- ▣ **'Prepaid expenditure not limited by s23H'**
 - Section 23H limits the deduction of an expense where none of the benefit, or only part thereof, rendered in the year of assessment.
- ▣ **'Allowance for future expenditure (s24C)'**
 - S24C applies when income is received in advance while the expenditure under the contract will only be incurred in a subsequent year of assessment.
 - For more information refer to Guide to Building Allowances on the SARS website.
- ▣ **'Credit agreement and debtors allowance (hire purchase) (s24)'**
- ▣ **'Interest incurred' (s24J)'**
- ▣ **'Film allowance (s24F)'**
 - S24F has been repealed with effect from 12 December 2013.
 - The section provided for deduction in respect of the cost of production and purchase of films. It applies to films where the principal photography commenced before 1/1/2012 and the expenditure was incurred on or before 31/12/2012.
- ▣ **'Cash contributions to a Rehabilitation Trust Fund or company (s37A)'**
 - This field is applicable from 2018 year of assessment onwards
 - Complete the field if the trust qualifies for a deduction of contributions to a Rehabilitation Trust Fund or company in respect of s37A.
- ▣ **'Environmental asset deduction: treatment and recycling (s37B)'**
 - This field is applicable from the 2016 year of assessment onwards.
 - Complete this field if the trust qualifies for a deduction of treatment and

- recycling in respect of s37B.
- **'Environmental asset deduction: waste disposal assets (s37B)'**
 - This field is applicable from the 2016 year of assessment onwards.
 - Complete this field if the trust qualifies for a deduction of waste disposal assets in respect of s37B.
- **'Environmental conservation and maintenance deduction (s37C)'**
- **'Research And Development Deduction (s11D)'**
 - Section 11D refers to deductions in respect of scientific or technological research and development that was undertaken. This deduction is applicable to years of assessment prior to 2016 and written approval for the research & development must be obtained from the Department of Science & Technology in order to claim the deduction.
 - Where there was a delay in obtaining the written approval from the Department of Science and Technology at the time of submission of the return, the trust has an option to submit an objection for that year of assessment using the ADR1 form, even if that year of assessment has prescribed
- **'Deduction in respect of Venture Capital Company shares (s12J)'**
 - This field is only available up to the 2014 year of assessment. From the 2015 year of assessment onwards, a separate container is available for declaration of an investment in venture capital company shares.
- **'Other (excluding items listed above):'** If the allowance is not on the list, complete the amount under the "Other (excluding items listed above)" field
- **Please provide descriptions relating to other listed above:** Provide descriptions relating to the amount declared on the "Other (excluding items listed above)" field
- **'Control Total –** this field will be calculated automatically on eFiling.

7.10.2 CREDIT ADJUSTMENTS (INCREASE NET PROFIT / DECREASE NET LOSS)

- Only complete the relevant currency fields (15 blocks) where the adjustments are applicable to the trust in Rands (no cents).
- NON-DEDUCTIBLE AMOUNTS DEBITED TO THE INCOME STATEMENT
- On eFiling click the dropdown button and select the items not debited to the income statement
- Below is a list of items available on the pop up screen. Insert the amount next to the applicable field:
 - **'Accounting interest paid / payable';**
 - **'Accounting loss on disposal of fixed and / or other assets';**
 - **'Amortisation of lease premiums and improvements to leasehold premises';**
 - **'Capital expenditure and /or losses';**
 - **'Depreciation according to financial statements';**
 - **'Expenses not actually incurred in the production of income (s11(a));'**
 - **'Financial assistance (s31)';**
 - **'Interest paid in respect of capitalised leased assets';**
 - **'Interest, penalties paid in respect of taxes (s23(d))';**
 - **'Lump sum contributions to retirement and / or benefit funds';**
 - **'Prepaid expenditure not allowed under s23H';**
 - **'Amounts in respect of certain (tainted) intellectual property (s23I)';**
 - **'Provision for doubtful debt not deductible in current year';**
 - **'Provision not deductible current year (excluding doubtful debt)';**
 - **'Transfer pricing adjustments';**
 - **'Other (excluding items listed above)' -** If the item is not on the list, complete the amount on the "Other (excluding items listed above)" field
 - **'Please provide descriptions relating to other listed above' -** Provide

descriptions relating to the amount declared on the field “Other (excluding items listed above)” above.

- **‘Control Total** – this field will be calculated automatically on eFiling.

ALLOWANCE/DEDUCTIONS GRANTED IN PREVIOUS YEARS OF ASSESSMENT AND NOW REVERSED

- On eFiling click the dropdown button and select the items not granted in previous years of assessment and have now been reversed.
- Below is a list of items available of the pop up screen. Insert the amount next to the applicable field:
 - **‘Allowance for future expenditure (s24C)’**
 - **‘Credit agreement and debtor’s allowance (hire purchase) (s24)’**
- Note that from the 2021 YOA you can reverse ‘Doubtful debt’ claimed in the previous years. For the 2021 YOA all three fields will appear.
 - **‘Doubtful debt allowance (s11(j))’**
 - This field will not be displayed from 2021 onwards
 - **‘Doubtful debt allowance IFRS applied (s11(j)(i))’**
 - This field is applicable from the 2021 YOA onwards
 - **‘Doubtful debt allowance IFRS not applied (s11(j)(ii))’**
 - This field is applicable from the 2021 YOA onwards
 - **‘Other (excluding items listed above)’** - If the item is not on the list, complete the amount on the “Other (excluding items listed above)” field
 - **‘Please provide descriptions relating to other listed above’** - Provide descriptions relating to the amount declared on the field “Other (excluding items listed above)” above.
 - **‘Control Total** – this field will be calculated automatically on eFiling.

AMOUNTS NOT CREDITED TO THE INCOME STATEMENT

- On eFiling click the dropdown button and select the items not credited to the income statement.
- Below is a list of items available of the pop up screen. Insert the amount next to the applicable field:
 - **‘Amounts received in advance’;**
 - **‘Amounts accrued but not received’ ;**
 - **‘Closing value of consumable stock and spare parts’;**
 - **‘Closing balance of stock values of work in progress (s22(2A))’;**
 - **‘Interest accrued (s24J)’;**
 - **‘Loans / advances granted by an insurer (par. (m) of def. of “gross income”)’;**
 - **‘Transfer pricing adjustment’;**
 - **‘Expenses incurred i.r.o. right of use of trust assets by beneficiaries/other persons’;**
 - **‘Other (excluding items listed above)’** - If the item is not on the list, complete the amount on the “Other (excluding items listed above)” field
 - **‘Please provide descriptions relating to other listed above’** - Provide descriptions relating to the amount declared on the field “Other (excluding items listed above)” above.
 - **‘Control Total** – this field will be calculated automatically on eFiling.

RECOUPMENT OF ALLOWANCE PREVIOUSLY GRANTED

- Certain allowances previously allowed in the determination of the taxable income and recovered or recouped during this year of assessment must be reflected.
- On eFiling click the dropdown button and select the items not credited to the income statement.
- Below is a list of items available of the pop up screen. Insert the amount next to the applicable field:
 - **'Bad debts'**
 - **'Lease charges (s8(5))'**
 - **'Wear and tear (s8(4))'**
 - **'Reduction in Debt (s19)'**
 - **'Other (excluding items listed above)'** - If the item is not on the list, complete the amount on the "Other (excluding items listed above)" field
 - **'Please provide descriptions relating to other listed above'** - Provide descriptions relating to the amount declared on the field "Other (excluding items listed above)" above.
 - **'Control Total'** – this field will be calculated automatically on eFiling.

7.10.3 DETERMINATION OF PROFIT / LOSS

- **'Profit /Loss'** – This field is auto-calculated on the return as follows:
 - Accounting Profit / Loss
 - **Less:** Debit Adjustments: Non-taxable amounts credited to the income statement: Control Total
 - **Less:** Debit Adjustments: Special Allowances not claimed in the income statement: Control Total
 - **Plus:** Credit Adjustments: Non-deductible amounts debited to the income statement: Control Total
 - **Plus:** Allowances / Deductions granted in previous years of assessment and now reversed: Control Total
 - **Plus:** Amounts not credited to the income statement: Control Total
 - **Plus:** Recoupment of allowances previously granted: Control Total
- **Is the trust in a partnership?** – Select 'Y' or 'N'.
 - If 'Y' insert the **'Profit/Loss attributable to partner(s)'**
- **'Taxable amount available for distribution/assessed loss retained in trust'** – This field is auto-calculated on the return as follows:
 - Profit/Loss,
 - **Less:** Profit/Loss attributable to partner(s).
- **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - This amount cannot be greater than the taxable amount available for distribution. An assessed loss cannot be distributed to / vested in beneficiaries.
- **'Taxable in Trust'** – This field will be auto-calculated
- **'Source Code'**
 - This field is mandatory.
 - Please refer to the 'Find a Source Code' tool which is available on the SARS website to select a valid source code.
 - Source code 3006 is valid from 1999 – 2006

- Source code 3025 is valid from 2007 onwards
 - The following source codes are excluded:
 - All codes starting with '01', '26', '30' (except 3006 and 3025) and '35
 - 4210, 4211, 4280, 4281, 4282, 4283, 4284, 4285, 4286, 4287.
 - Select a Profit Code to indicate credit balance and a Loss code to indicate a debit balance.
 - For Rehabilitation trusts, the source code 3006 must be used for years of assessment 1999 – 2006 and the source 3025 for years of assessment 2007 and onwards.
- **'Were any transactions relating to Crypto Assest(s) included in the local business and trading information above?' – Select 'Y' or 'N'.**
 - If 'Y', complete the following fields:
 - Gross Crypto Assest(s) amount included in turnover / sales
 - Did the transactions relating to Crypto Assest(s) result in a profit? (Select 'Y' or 'N')
- **One of the following two fields will be displayed based on the profit or loss source code selected:**
 - 'Profit relating to Crypto Assest(s) trading'
 - 'Loss relating to Crypto Assest(s) trading'

7.11 CALCULATION OF THE QUALIFYING SECTION 12H LEARNERSHIP ALLOWANCE FOR THIS YEAR OF ASSESSMENT IN RESPECT OF AGREEMENTS ENTERED INTO ON OR AFTER 1 OCTOBER 2016

- The learnership incentive is intended to encourage skills development and job creation. The following tax deductions will be considered in respect of the entering into and completion of such registered learnership agreements as defined in s12H of the Income Tax Act
 - Persons without a disability:
 - NQF 1- 6 = R40 000
 - NQF 7 – 10 = R20 000
 - Persons with a disability:
 - NQF 1- 6 = R60 000
 - NQF 7- 10 = R50 000
- On the return, complete the number of learners (No. of Learners) and their respective allowance(s) calculated (Allowances calculated) on the following details:
 - "Learnership agreements registered/in effect"
 - Learners without a disability
 - Learners with a disability
 - "Registered learnership agreements completed in current year"
 - Learners without a disability
 - Learners with a disability

7.12 TAX ALLOWANCES / LIMITATIONS

- **Did the trust enter into an instalment sale agreement as referred to in s12DA to use the rolling stock as an asset to generate income? – Select 'Y' or 'N'.**
- **If "Yes" is selected on the above question, "Was the rolling stock brought into use on or before 28 February 2022?" will display – Select 'Y' or 'N'.**
- **Was the allowance claimed in term of s12F only in relation to assets used directly in the production of income? – Select 'Y' or 'N'.**

- If “Yes” is selected on the above question “Was the asset brought into use on or before 28 February 2022?” will display– Select ‘Y’ or ‘N’.
- ‘Urban Development Zone – s13quat’
 - ‘Is the building for which the trust is claiming an allowance in an approved demarcated zone?’ – Select ‘Y’ or ‘N’
 - Was the building or part of the building brought into use after 31 March 2021? Select ‘Y’ or ‘N’
 - ‘Did the trust receive a certificate(s) issued by the municipality confirming that the building(s) for which the trust is claiming an allowance is in an urban development zone?’ – Select ‘Y’ or ‘N’
 - ‘Did the trust erect, extend, add to or improve the building(s) for which the trust is claiming an allowance with the sole purpose of disposing thereof directly on completion?’ – Select ‘Y’ or ‘N’.
 - ‘If No, state the total amount incurred for the erection, extension, addition or improvement of building(s)’
 - ‘Did the trust purchase the building(s) or part thereof from a developer?’ – Select ‘Y’ or ‘N’.
 - ‘If Yes, state the purchase price of the building(s) or part thereof’
 - ‘State the amount of the purchase price deemed to be cost incurred by the trust in terms of s13quat(3B)’
 - ‘Did the trust use the building(s) erected, extended, improved or added on to in use solely for the trade of the trust during the year of assessment?’ – Select ‘Y’ or ‘N’
 - ‘Did the trust incur costs for the erection, extension or addition relating to low cost housing (s13quat (3A))?’ – Select ‘Y’ or ‘N’
 - ‘Is the trust a developer as envisaged in s13quat? – Select ‘Y’ or ‘N’.
If ‘Y’:
 - Did the trust submit the necessary forms as prescribed in s13quat (10A)? – Select ‘Y’ or ‘N’.
 - Did the trust submit the necessary forms as prescribed in s13quat (4)? – Select ‘Y’ or ‘N’.
- ‘Energy Efficiency Savings – s12L’
 - ‘Has the trust obtained a certificate issued by SANEDI in respect of energy efficiency savings for the purposes of claiming a s12L allowance’ – Select ‘Y’ or ‘N’.
- Information with regards to Doubtful Debt Allowance Claimed - IFRS Applied: s11(j)(i)
 - This section will only be displayed if you entered a value greater than zero in the question “Doubtful Debt Allowance (11(j) (i)) – IFRS applied” on the tax return wizard of the form.
 - The following rates will be displayed on the form:
 - Provision amount (Rate = 25%)
 - Allowance amount (Rate = 25%)
 - Provision amount (Rate = 40%)
 - Allowance amount (Rate = 40%).
 - Complete the “Accounting Provisions” for each rate displayed. This will auto-calculate the “Allowance” amount (per rate).
 - “Indicate whether a directive was issued by SARS, approving the 85% rate.” By selecting the check box.

- When you have selected the check box, the 85% rate field will display.
 - Complete the “Accounting Provisions” for the 85% rate displayed. This will auto-calculate the “Allowance” amount.
- **Information with regards to Doubtful Debt Allowance Claimed – IFRS not applied (s11 (j) (ii))**
 - This section will only be displayed if you entered a value greater than zero in the question “Doubtful Debt Allowance (11(j) (ii)) – IFRS not applied” on the tax return wizard of the form.
 - The following rates will be displayed on the form:
 - Provision amount (Rate = 25%)
 - Allowance amount (Rate = 25%)
 - Provision amount (Rate = 40%)
 - Allowance amount (Rate = 40%).
 - Complete the “Accounting Provisions” for each rate displayed. This will auto-calculate the “Allowance” amount (per rate).
 - “Indicate whether a directive was issued by SARS, approving the 85% rate.” Select if applicable.
 - Complete the field “Specify the approved weighted average rate”
 - The “Specified” rate will be displayed
 - Complete the “Accounting Provisions” for the specified rate displayed. This will auto-calculate the “Allowance” amount (per rate).

8 FARMING OPERATIONS

8.1 INCOME FROM LOCAL FARMING OPERATIONS (IT48)

- This section will only display if you selected ‘Y’ to the question “*Indicate the type of local income received / accrued to the trust: Farming Income*” on the tax form wizard of the return.
- Please complete fields as per the financial statements of the trust.

8.1.1 FARMING OPERATIONS

- Indicate if par 13, 13A, 15, 17, or 20 of the First Schedule to the Income Tax Act applies to the assessment by marking the applicable tick box(es) with an “X”.
- Complete the applicable fields on the return for:
 - Local farming operations
 - Special Depreciation Information
 - Information on Capital Improvements

8.1.2 DETAILS OF FARMING EXPENSES (IT48)

- This section of the return will only display if the amount for the ‘**Less: Allowable Expenses**’ field under ‘**Local Farming Operations**’ is greater than zero.
- Complete the applicable fields for the farming expenses incurred during the year of assessment.

8.1.3 CAPITAL IMPROVEMENTS INCURRED DURING THE YEAR OF ASSESSMENT (PARAGRAPH 12(1) OF THE FIRST SCHEDULE)

- This section of the return will only display for the 2016 year of assessment onwards and if the amount for the **'Purchases/costs current year'** field (under the *'Information on Capital Improvements'* section) is greater than zero.
- Complete the applicable fields for the capital improvements incurred during the year of assessment.
 - **'Dipping tanks'**
 - **'Dams, irrigation schemes, boreholes and pump plants'**
 - **'Fences'**
 - **'Erection of or additions or improvements to farm buildings (other than buildings used for domestic purposes)'**
 - **'Planting of trees, scrubs or perennial plants for the production of grapes or other fruit, nuts, tea, coffee, hops, sugar, vegetable oils or fibres and the establishment of an area for such purposes'**
 - **'Building of roads and bridges used in farming operations'**
 - **'Carrying of electric power from the main transmission lines to the farm apparatus or under an agreement concluded with the Electricity Supply Commission as stipulated'**
 - **'Wages paid to employees employed in construction of capital works as set out above'**
- Total purchases /Costs – Current year
 - **'Total'** – this field will be calculated automatically on eFiling.

8.2 INCOME FROM LOCAL PARTNERSHIP FARMING OPERATIONS (IT48V)

- This section will display if 'Y' was selected for the question: *"Indicate the type of local income received / accrued to the trust: Farming income"* on page one of the return.
- This section will be repeated based on the value entered for the question *"How many farming partnership operations did the trust participate in?"* on page one.

8.2.1 FARMING OPERATIONS

- Complete the applicable fields on the return for:
 - Local farming operations
 - Special Depreciation Information
 - Information on Capital Improvements
 - Partnership Information for Share Distribution (Farming)

8.2.2 DETAILS OF FARMING EXPENSES (IT48V)

- This section will only display if the amount for the 'Less: Allowable Expenses' field under **'Income from Local Partnership Farming Operations (IT48V)'** is greater than zero.
- Complete the applicable fields for the farming expenses incurred during the year of assessment.

8.2.3 CAPITAL IMPROVEMENTS INCURRED DURING THE YEAR OF ASSESSMENT (PARAGRAPH 12(1) OF THE FIRST SCHEDULE)

- This section of the return will only display for the 2016 year of assessment onwards and if the amount for the **'Purchases/costs current year'** field (under the *'Information on Capital Improvements'* section) is greater than zero.
- Complete the applicable fields for the capital improvements incurred during the year of assessment.
 - **'Dipping tanks'**
 - **'Dams, irrigation schemes, boreholes and pump plants'**
 - **'Fences'**
 - **'Erection of or additions or improvements to farm buildings (other than 'buildings used for domestic purposes)'**
 - **'Planting of trees, scrubs or perennial plants for the production of grapes or other fruit, nuts, tea, coffee, hops, sugar, vegetable oils or fibres and the establishment of an area for such purposes'**
 - **'Building of roads and bridges used in farming operations'**
 - **'Carrying of electric power from the main transmission lines to the farm apparatus or under an agreement concluded with the electricity supply commission as stipulated'**
 - **'Wages paid to employees employed in construction of capital works as set out above'**
- **Total Purchases / Costs – Current Year**
 - **'Total'** – this field will be calculated automatically on eFiling.

9 FOREIGN INCOME RECEIVED AND / OR ACCRUED

9.1 FOREIGN INTEREST INCOME

- This section will display if you selected 'Y' to the question *"Indicate the type of foreign income received / accrued to the trust: Interest"* on the tax form wizard of the return.
- Complete the applicable fields below:
 - **'Gross receipts and accruals'** – Complete the total amount of the receipts and accruals relating to foreign interest as per financial statements.
 - **'Less: Allowable Expenses attributable to foreign income (excluding donations)'**
 - **'Taxable amount available for distribution / Assessed loss retained in trust'** – this field will be automatically calculated as follows:
 - Gross receipts and accruals
 - **Less:** Expenses (excluding donations)
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. This amount must be limited to the Taxable amount available for distribution. An assessed loss cannot be distributed to / vested in a beneficiary.
 - **'Taxable in Trust'** – this field will be automatically calculated as follows:
 - Taxable amount available for distribution / assessed loss:
 - **Less:** Amount distributed to / vested in beneficiaries or taxable i.t.o. s7
 - **'Source Code'** – code 4218 will pre-populate in this field (foreign interest cannot create an assessed loss)
 - **'Foreign tax credits on foreign interest distributed / vested in beneficiaries'**
 - If any withholding tax was paid in another country i.r.o. the foreign interest received, this amount will appear on the certificate received from the institution administering the investment. Declare the gross amount of withholding tax relating to the foreign interest distributed/vested in

- ## 9.2 FOREIGN DIVIDENDS INCOME

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9.3 FOREIGN FARMING INCOME

- This section will display if you selected 'Y' to the question *"Indicate the type of foreign income received / accrued to the trust: Farming"* on the tax form wizard of the return.
- All income derived directly from any foreign farming operations will be regarded as foreign farming income. Income from foreign farming activities will also include, for example, grazing fees derived by a person who carries on farming in a foreign country operations.
- Complete the following applicable fields:
 - **'Gross receipts and accruals'**
 - Only applicable to the 2016 year of assessment and prior years
 - Complete the total amount of the receipts and accruals relating to foreign farming income as per the financial statements.
 - **'Less: Allowable expenses attributable to other foreign income (excluding donations)'**
 - Only applicable to the 2016 year of assessment and prior years
 - **'Farming profit / loss (excl. allowable admin. expenses and donations)'**
 - Only applicable from the 2017 year of assessment onwards
 - **'Add: Expenses incurred i.r.o. right of use of trust assets by beneficiaries / other persons'**
 - **'Sub-total according to income statement'**
 - This field is only applicable to the 2016 year of assessment and prior years and will be calculated automatically on the return.
 - **'Add: Non-taxable items and amounts claimed for accounting purposes'**
 - Only applicable to the 2016 year of assessment and prior years
 - **'Deduct: Allowable administration expenses (excluding donations)'**
 - Only applicable from the 2017 year of assessment onwards
 - **'Less: Tax deductions and special allowances i.t.o. the Income Tax Act'**
 - Only applicable to the 2016 year of assessment and prior years
 - **'Taxable amount available for distribution / assessed loss retained in trust'**
 - This field will be calculated automatically on the return
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. This amount must be limited to the Taxable amount available for distribution. An assessed loss cannot be distributed to / vested in beneficiaries.
 - **'Taxable in Trust'**
 - This field will be calculated automatically on the return as follows:
 - Taxable amount available for distribution / assessed loss:
 - Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7
 - **'Source Code'**
 - Code 0192 is for a foreign farming profit and code 0193 is for a foreign farming loss.
 - **'Foreign tax credits on foreign Farming income distributed/vested in beneficiaries'**
 - **'Foreign tax credits on foreign Farming income retained in trust'**
 - Complete the amount next to source code 4119.

9.4 IMPUTED NET INCOME FROM CONTROLLED FOREIGN COMPANIES

- This section will display if you selected 'Y' to the question *"Imputed net income from controlled foreign companies"* on page one of the return.
- Any income earned by a controlled foreign company (CFC) may effectively be taxed in

a resident's hands in terms of the provision of section 9D. If such resident has a participation interest (shareholding or votes) in the CFC.

- Complete the following applicable fields:
 - **'Total Imputed Net Income'**
 - Complete the total imputed net income from controlled foreign companies as per the financial statements.
 - **'Less: Amount distributed / vested in beneficiaries or taxable i.t.o. s7'**
 - **'Taxable in Trust'**
 - This field will be auto calculated.
 - This is applicable to the following source code 4246
 - It is derived as follows:
 - 'Total Imputed Net Income'
 - 'Less: Amount distributed /vested in beneficiaries'.
 - **'Foreign Tax credits on Imputed Net Income distributed / vested in beneficiaries'**
 - **'Foreign Tax credits on Imputed Net Income from Controlled Foreign Companies retained in trust'**
 - This is applicable to the following source code 4122.

9.5 OTHER FOREIGN INCOME (EXCLUDING DIVIDENDS, INTEREST, CAPITAL GAINS AND FARMING)

- This section will display if you selected 'Y' to the question *"Indicate the type of foreign income received/accrued to the trust: Other foreign income"* on page one of the return.
- Complete the following applicable fields:
 - **'Gross receipts and accruals'**
 - **'Less: Allowable expenses attributable to other foreign income (excluding donations)'**
 - **'Add: Expenses incurred i.r.o. right of use of trust assets by beneficiaries / other persons'**
 - **'Sub-total according to Income Statement'**
 - This field will be calculated automatically on the return
 - **'Add: Non-taxable items and amounts claimed for accounting purposes'**
 - **'Less: Tax deductions and special allowances i.t.o. the Income Tax Act'**
 - **'Taxable amount available for distribution / Assessed loss retained in trust'**
 - This field will be calculated automatically on the return
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. s7'**
 - Section 7 deals with the rules / conditions when income is deemed to have accrued or to have been received. This amount is limited to the taxable amount available for distribution. An assessed loss cannot be distributed to / vested in a beneficiary.
 - **'Taxable in Trust'** – This field will be automatically calculated on the return as follows:
 - Taxable amount available for distribution/assessed loss retained in trust
 - **Less:** Amount distributed to / vested in beneficiaries or taxable i.t.o. s7
 - **'Source Code'**
 - Code 4220 is for other foreign profit and code 4221 is for other foreign loss
 - **'Foreign tax credits on other foreign income distributed / vested in beneficiaries'**
 - **'Foreign tax credits on other foreign income retained in trust'**
 - Complete the amount next to source code 4110.
 - **'Was any of the other foreign income declared in the gross receipts and accruals above received from a foreign trust?' – select 'Y' or 'N'.**
 - If 'Y', complete the amount of foreign income from a foreign trust.

10 CAPITAL GAIN / LOSS

10.1 LOCAL CAPITAL GAINS / LOSSES

10.1.1 INTRODUCTION

- Capital Gains Tax (CGT) provisions became effective from 1 October 2001. The Eighth Schedule of the Income Tax Act determines a taxable capital gain or assessed capital loss and section 26A of the Income Tax Act provides that a taxable capital gain is included in taxable income.
- A CGT event is triggered by the disposal (or deemed disposal) of an asset. Only the gain or loss attributable from 1 October 2001 to date of disposal will be subject to the CGT.
 - An asset is defined as widely as possible and includes any property of any nature and any interest therein
 - A disposal covers any event, act, forbearance, or operation of law, which results in a creation, variation, transfer, or extinction of an asset. It also includes:
 - The sale, donation, expropriation, conversion, grant, cession, exchange or any other alienation or transfer of ownership of an asset;
 - The forfeiture, termination, redemption, cancellation, surrender, discharge, relinquishment, release, waiver, renunciation, expiry or abandonment of an asset;
 - The scrapping, loss or destruction of an asset;
 - The vesting of an interest in an asset of a trust in a beneficiary;
 - The distribution of an asset by a company to a holder of shares;
 - The granting, renewal, extension or exercise of an option; or
 - The decrease in value of a person's interest in a company, trust or partnership of value shifting arrangement.
- Once an asset is disposed of, the amount that is received by (or which accrues to) the seller of the asset constitutes the **proceeds**/income from the disposal.
- The **base cost** of the asset is generally the expenses that were actually incurred in obtaining the asset, together with the following:
 - Expenses directly related to the asset's improvement
 - Expenses and direct costs in respect of its acquisition and disposal of the asset
 - Certain holding costs.
 - Note: The base cost does not include any amounts otherwise allowed as a deduction for income tax purposes.
- The **annual exclusion** will be applied programmatically by SARS and you are therefore not required to complete this 'exclusion' on the return.
 - The annual exclusion of a natural person and a special trust type A (referred to in section 1(1) paragraph (a) of the definition of "special trust") is R30 000 for the 2016 year of assessment and R40 000 from the 2017 year of assessment.
 - During the assessment process all capital gains and/or losses are added together and thereafter the sum of such capital gains and losses is reduced by the annual exclusion, limited to the amount of the gain/loss.
 - Where a natural person dies during the year of assessment, the annual exclusion is increased to R300 000.
 - The exclusion applies to gains as well as losses.
 - The unutilised portion of the annual exclusion cannot be carried forward to a following year of assessment.

- The **inclusion rate** is 33.3% for the 2016 year of assessment and 40% from the 2017 year of assessment.
 - Where a net capital gain for the current year of assessment has been determined, such amount is multiplied by the inclusion rate to determine the taxable capital gain.
 - The result is included in the taxable income for that year of assessment.
 - Note: this calculation is done programmatically during the assessment process.
- A capital loss can only be offset against a capital gain, and not against normal taxable income.
- The capital gain/loss must be determined by calculating the difference between the "Proceeds" and "Base Cost" (after taking into account Exclusions / Adjustments and Rollover base cost).
- For more detailed information please refer to the '**Comprehensive Guide to Capital Gains Tax**' which is available on the SARS website.

10.1.2 COMPLETING THE RETURN

- The CGT section will display if you selected 'Y' to the question *"Did the trust dispose of any local assets attracting capital gain or loss (including Crypto Asset(s))?"* on the form wizard of the return.
 - This section will be repeated according to the number of disposals indicated on the return.
- Complete the following fields:
 - **'Proceeds'**
 - **'Base Cost'**
 - **'Exclusion/Rollover'**
 - **'Capital Gain/Loss'** – this amount will be auto-calculated as follows:
 - Proceeds,
 - Less: Base Cost,
 - Less: Exclusion/ Rollover.
 - **'Add: Clogged loss included in amounts listed above to be carried forward (par. 39 of the Eighth Schedule)'**
 - **'Less: Prior year clogged loss brought forward and deductible from the capital gain listed above derived from same connected person (par. 39 of the Eighth Schedule)'**
 - **'Capital Gain available for distribution/ Capital Loss retained in trust'** – this amount is calculated as follows:
 - Capital Gain/Loss;
 - Plus: Clogged losses included in amounts listed above to be carried forward (par. 39 of the Eighth Schedule);
 - Less: Prior years' clogged loss brought forward and deductible from the capital gains listed above derived from same connected person (par. 39 of the Eighth Schedule).
 - **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. par. 68 –72 of the Eighth schedule'** – Complete the amounts that relate to the following paragraphs:
 - Attribution of capital gain to spouse – paragraph 68
 - Any donation, settlement, other similar disposition must be disregarded when determining a person's aggregate capital gain. This amount must be taken into account when determining the aggregate capital gain or loss of the person's spouse.
 - Attribution of capital gain to parent of minor child – paragraph 69
 - Any donation, settlement or other disposition by a parent or any

other person for the benefit of a child's must be disregarded when determining the child's aggregated capital gain and must be taken into account when determining aggregate capital gain or loss of that parent.

- Attribution of capital gain subject to conditional vesting – paragraph 70
 - If a person made a donation, settlement or any disposition subject to a stipulation or condition such that the distribution will not vest in the beneficiaries of such distribution. Capital gain must be disregarded when determining the aggregate capital gain of a beneficiary and will be taken into account when determining the aggregate capital gain or loss of the person retaining the donation, settlement or other disposition.
- Attribution of capital gain subject to revocable vesting – paragraph 71
 - Where a resident beneficiary has a right to any donation settlement or disposition subject to a revocation, capital gain must be disregarded when determining the aggregate capital gain of that beneficiary. Capital gain will be taken into account when determining the aggregate capital gain or loss of the person retaining the power of revocation.
- Attribution of capital vesting in non-resident – paragraph 72
 - If a South African resident made a donation settlement or disposition to any person (excluding a non-resident public benefit organization) and that capital gain has during the year vested in or is treated as having vested in any person who is not a resident (excluding a Controlled Foreign Company in relation to that resident), capital gain must be disregarded when determining the aggregate capital gain or losses of the person in whom it vest and taken into account when determining capital gain or loss of that resident.
- **'Taxable in Trust (Vested in Foreign Beneficiaries)'**
- **'Taxable in Trust (not vested in beneficiaries)'**
- **'Source Code'**
 - Source code 4250 will prepopulate for a capital gain and source code 4251 will prepopulate for a capital loss
- **'Main Asset Type Source Code'**
 - Refer to Appendix B for a list of the valid main asset type source codes.

10.2 FOREIGN CAPITAL GAINS/LOSSES

- This section will display if you selected 'Y' to the question *"Did the trust dispose of any foreign assets attracting capital gain or loss (including Crypto Asset(s)(s))?"* on the tax form wizard of the return.
 - This section will be repeated according to the number of disposals indicated on the return.
- Complete the following fields:
 - **'Proceeds'**
 - **'Base Cost'**
 - **'Exclusion/Rollover'**
 - **'Capital Gain/Loss'** – this amount will be auto-calculated as follows:
 - Proceeds,
 - Less: Base Cost,
 - Less: Exclusion/ Rollover.
 - **'Add: Clogged loss included in amounts listed above to be carried forward (par.39 of the Eighth Schedule)'**
 - **'Less: Prior year clogged loss brought forward and deductible from the**

capital gain listed above derived from same connected person (par. 39 of the Eighth Schedule)

- **'Capital Gain available for distribution/Capital Loss retained in trust'**– this amount is calculated as follows:
 - Capital Gain/Loss;
 - Plus: Clogged losses included in amounts listed above to be carried forward (par. 39 of the Eighth Schedule);
 - Less: Prior years' clogged loss brought forward and deductible from the capital gains listed above derived from same connected person (par. 39 of the Eighth Schedule).
- **'Less: Amount distributed to / vested in beneficiaries or taxable i.t.o. par. 68 –72 of the Eighth schedule'** – Complete the amounts that relate to the following paragraphs:
 - Attribution of capital gain to spouse – paragraph 68
 - Any donation, settlement, other similar disposition must be disregarded when determining a person's aggregate capital gain. This amount must be taken into account when determining the aggregate capital gain or loss of the person's spouse.
 - Attribution of capital gain to parent of minor child – paragraph 69
 - Any donation, settlement or other disposition by a parent or any other person for the benefit of a child's must be disregarded when determining the child's aggregated capital gain and must be taken into account when determining aggregate capital gain or loss of that parent.
 - Attribution of capital gain subject to conditional vesting – paragraph 70
 - If a person made a donation, settlement or any disposition subject to a stipulation or condition such that the distribution will not vest in the beneficiaries of such distribution. Capital gain must be disregarded when determining the aggregate capital gain of a beneficiary and will be taken into account when determining the aggregate capital gain or loss of the person retaining the donation, settlement or other disposition.
 - Attribution of capital gain subject to revocable vesting – paragraph 71
 - Where a resident beneficiary has a right to any donation settlement or disposition subject to a revocation, capital gain must be disregarded when determining the aggregate capital gain of that beneficiary. Capital gain will be taken into account when determining the aggregate capital gain or loss of the person retaining the power of revocation.
 - Attribution of capital vesting in non–resident – paragraph 72
 - If a South African resident made a donation settlement or disposition to any person (excluding a non-resident public benefit organization) and that capital gain has during the year vested in or is treated as having vested in any person who is not a resident (excluding a Controlled Foreign Company in relation to that resident), capital gain must be disregarded when determining the aggregate capital gain or losses of the person in whom it vest and taken into account when determining capital gain or loss of that resident.
- **'Taxable in Trust (Vested in Foreign Beneficiaries)'**
- **'Taxable in Trust (not vested in beneficiaries)'**
- **'Source Code'**
 - Source code 4252 will prepopulate for a capital gain and source code 4253 will prepopulate for a capital loss
- **'Main Asset Type Source Code'**
 - Refer to Appendix B for a list of the valid main asset type source codes.
- **'Foreign Tax Credit i.r.o. Capital Gain Distributed/Vested In Beneficiaries'**
- **'Foreign Tax Credit i.r.o. Capital Gain/Loss Retained In Trust (4114)'**

10.3 REDUCTION OF LOCAL ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will display if you selected 'Y' to the question: *"Was the reduction i.r.o. a local asset?"* on page one of the return
- Complete the **'Amount of debt reduction'** as per the financial statement.

10.4 REDUCTION OF FOREIGN ASSESSED CAPITAL LOSS DUE TO DEBT REDUCTION

- This section will display if you selected 'Y' to the question *"Was the reduction i.r.o. a foreign asset?"* on page one of the return.
- Complete the amount of debt reduction next to source code 4255.

10.5 CAPITAL GAIN VESTED IN THIS TRUST DUE TO DISPOSAL OF AN ASSET(S) BY ANOTHER LOCAL TRUST

- Complete the **'Amount of capital gains vested in this trust due to a disposal of an asset(s) by a local trust'**.
- **'Source Code'**
 - Source code 4250 will populate next to the field.

10.6 CAPITAL GAIN VESTED IN THIS TRUST DUE TO DISPOSAL OF AN ASSET(S) BY A FOREIGN TRUST

- Complete the **'Amount of capital gains vested in this trust due to a disposal of an asset(s) by a foreign trust'**.
- **'Source Code'**
 - Source code 4252 will populate next to the field.

11 AMOUNTS CONSIDERED NON-TAXABLE

- This section of the return will display if you selected 'Y' to the question *"Did the trust receive any amounts considered non-taxable?"* on page one of the return.
- Complete the applicable fields as per the financial statements.
 - **'Local Dividends'**
 - **'Exempt foreign dividends (excl. s10B(3) exemption)'**
 - **'Other Non-Taxable Income (excluding items listed above)'**
 - **'Please provide descriptions relating to other non-taxable income listed above'**
 - **'Total non-taxable income'**
 - **'Less: Expenses attributable to non-taxable income'**
 - **'Amount available for distribution/loss'**

11.1 NON-DEDUCTIBLE EXPENSES (NOT DISCLOSED ELSEWHERE IN THIS RETURN)

- This section will only display if you selected "No" to all the following income questions on the tax form wizard of the return:

- *'Local Income received and /or accrued'*
 - *'Foreign Income received and /or accrued'*
 - *'Capital Gain/Loss'*
 - *'Amounts considered non-taxable containers'*
- Complete the non-deductible expenses fields below:
 - **'Local Expenses'**
 - **'Foreign Expenses'**

12 DONATIONS

12.1 DONATIONS ALLOWABLE ITO SECTION 18A TO APPROVED ORGANISATIONS

- The donation amount will only qualify as a deduction if the receipt issued by the done states that it is issued in terms of section 18A of the Income Tax Act.
- From the 2016 year of assessment if the trust made donations to more than ten Public Benefit Organisations (PBO's), then the details of the top ten PBO's (i.e. to whom donations with the highest monetary value was made) must be completed on the return.
- Complete the following fields:
- Solidarity Fund Donation (excl. any other donation)
 - **'Total amount donated to the Solidarity Fund during 1 April 2020 to 30 September 2020 (4055)'**
 - **'PBO number'** – this is the reference number on the receipt received from the organisation
- Donations (excl. any other donation)
 - **'Total donations made from funds that did not vest in any trust beneficiary (4011)'**
 - Complete the following fields for each organisation:
 - Details of the organisation to whom donations were made
 - Details of the top 10 organisations (highest monetary value) to whom donations were made
 - PBO number
 - "Amount donated to organisation"
 - **'PBO number'** – this is the reference numbers on the receipt received from the organisation
 - **'Amount donated to this organisation'**

12.2 COLLECTIVE INVESTMENT SCHEME: DONATIONS ALLOWABLE IN TERMS OF S18A TO APPROVED ORAGNISATIONS

- This section will display if you selected 'Y' to the question *"Is this trust a Collective Investment Scheme?"* on the tax form wizard of the return.
- Complete the following fields:
 - **'Total donations made from funds that did not vest in any beneficiary (4011)'**
 - **'Average value of aggregate of all participatory interest held by investors in the portfolio'**

13 VENTURE CAPITAL COMPANIES (VCC) SECTION 12J

- In order to assist small and medium-sized businesses and junior mining exploration companies in terms of equity finance, government implemented a tax incentive for investors in such enterprises through a Venture Capital Company (VCC) regime.
 - Section 12J came into effect on 1 July 2009.
 - Investors can claim income tax deductions in respect of the expenditure incurred in exchange for the issue of VCC shares.
 - On request from SARS, the investor must verify a claim for a deduction by providing a VCC Certificate that has been issued by an approved VCC, stating the amount of the investment and the year of assessment in which the investment was made.
- If the trust invested in 20 or more VCCs, then only the details of the 20 investments with the highest monetary value must be completed on the return.

13.1 INVESTMENT IN VCCs

- **'Total amount invested during the year of assessment before 21 July 2019 in Venture Capital Companies in exchange for shares from funds that did not vest in any trust beneficiary (4051).'**
 - This is applicable for the 2020 YOA.
 - The amount on this field will be pre-populated.
 - The field will not be displayed where the completed date of issue of VCC shares is not before 21 July 2019.
 - The pre-populated amount is aggregated to the field amount completed in *"Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment"*
- **'Total amount invested on or after 21 July 2019 in Venture Capital Companies in exchange for the issue of shares from funds that did not vest in any trust beneficiary (4054).'**
 - This is applicable for the 2020 YOA.
 - The amount on this field will be pre-populated.
 - The field will not be displayed where the completed date of issue of VCC shares is not on or after 21 July 2019.
 - The pre-populated amount is aggregated to the field amount completed in *"Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment"*
- **'Total amount invested during the year of assessment in Venture Capital Companies in exchange for the issue of shares from funds that did not vest in any trust beneficiary (4054).'**
 - This is applicable for the 2021 YOA.
 - The amount on this field will be pre-populated.
- Complete the following fields:
 - **Details of investments:**
 - **'Name of SARS approved VCC'**
 - **'VCC number: Complete the VCC number.'**
 - **'Date of issue of VCC shares'**
 - **'Amount invested in Venture Capital Company in exchange for the issue of shares during the year of assessment'**

13.2 RECOUPMENT I.R.O VCC SHARES SOLD: S12J

- This section will display if 'Y' is selected for the question *"Were any SARS approved Venture Capital Company shares sold for which tax deduction to the trust was allowed"* on the tax form wizard of the return.
- Except in the case of VCC shares held by a taxpayer for a period longer than five years (effective January 2015), the deduction is recouped (recovered) if the taxpayer disposes of the VCC shares to the extent of the initial VCC investment (under the general recoupment rules of section 8(4) of the Act)).
- Complete the following:
'Amount recouped i.r.o Venture Capital Companies shares sold for which a tax deduction was allowed to the trust (4245)'

14 FOREIGN TAX CREDITS – SOUTH AFRICAN SOURCED INCOME (ALREADY INCLUDED ELSEWHERE IN THIS RETURN) – S6QUIN

- This section is applicable to the 2016 and prior year of assessment and will display if you selected 'Y' to the question *"Will the trust be claiming any Foreign Tax credits in terms of s6quin?"* on page one of the return.
- S6quin provides for a tax credit to be claimed in respect of tax withheld or imposed by a foreign country.
- To qualify for this rebate, the trust must submit the return of Foreign Tax Withheld to SARS and retain the proof.
 - The return of Foreign Tax Withheld (FTW01) and the relevant material in respect of foreign tax withheld must be sent to SARS within 60 days from the date the tax was withheld or paid. The return must be emailed to 6quin@sars.gov.za
 - The Return of Foreign Tax Withheld (FTW01) can be downloaded from the SARS website.
 - The amount of income must be from a source within the Republic and received by or accrued to a resident for services rendered.
 - The tax credit may be in respect of an amount of tax levied by any sphere of the government of any country -
 - Other than the Republic, and
 - With which the Republic has concluded a Double Tax Agreement (DTA).
 - Where a DTA is not concluded between the Republic and the other country a tax credit may also be in respect of the amount of tax imposed in terms of the laws of that country.
- Complete the following on the return:
 - **'Taxable income from services rendered in South Africa taxed outside the RSA'**
 - Note: This amount must have been declared as taxable income elsewhere in this return as this section is only used by SARS to calculate the allowable foreign tax credit applicable to this amount.
 - **'Was the declaration of foreign tax withheld (FTW01) submitted to the Commissioner within 60 days?' – Select 'Y' or 'N'**
 - **'Please confirm that the amount was not claimed as a deduction in terms of s 6quat (1C)?' – Select 'Y' or 'N'**
 - **'Foreign tax credits (7456)'**
 - The amount must be converted to the rand value on last day of the year of assessment by applying the average exchange rate for the year of assessment.

- For more information on *s6quin* refer to SARS website www.sars.gov.za

14.1 FOREIGN TAX CREDITS – REFUNDED / DISCHARGED

- This section will display from the 2017 year of assessment onwards
- The allowable foreign tax credit was changed from a tax credit to a rebate to comply with the Income Tax Act.
- A *s6quat* deduction reduces the taxable income of a South African resident. This in turn reduces the normal tax liability of the taxpayer. Where a South African resident claimed a deduction for foreign tax paid/payable in terms of section 6quat and in a subsequent year of assessment the foreign tax was refunded or the taxpayer was discharged from the applicable tax liability, then the amount that was discharged (limited to the amount that was originally claimed) will be deemed to be an amount of normal tax payable by that taxpayer in the subsequent year of assessment.
- Complete the fields on the return:
 - **‘Specify the portion of the amount refunded/discharged that was previously allowed as a rebate’**
 - **‘Specify the portion of the amount refunded/discharged that was previously allowed in terms of *s6quat*(1C)’ – source code 4249.**

14.2 DEDUCTION I.T.O. *s6quat*(1C)

- This section will display if yes was selected for the question “Will the trust be claiming a deduction on SA sourced trading income i.t.o. *s6quat* (1C)?” on the wizard of the form.
- Complete the fields on the return:
 - Deduction i.t.o. *s6quat*(1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income that did not vest in any trust beneficiary.
 - Source code 4053
 - Did the trust have a right of recovery other than a right of recovery i.t.o. a mutual agreement procedure, or any entitlement to carry back losses arising during any previous year of assessment? – Select ‘Y’ or ‘N’.
 - Was this foreign tax amount refunded to the trust during this year of assessment? – Select ‘Y’ or ‘N’.
 - Taxable income from SA sourced trade income (including local remuneration) taxed outside SA (before taking into account any allowable deductions i.t.o. s18A and *s6quat*(1C), as these deductions will be calculated by SARS).

15 PAYE CREDITS AVAILABLE (EXCLUDING PAYE ON LUMP SUM BENEFITS AND PROVISIONAL TAX)

- This section will display if you selected ‘Y’ to the question “*Will the trust be claiming any PAYE credits reflected on an IRP5 tax certificate?*” on the form wizard of the return.
- The trust must complete this section for every employee’s tax certificate (IRP5/IT3(a)) issued to the trust for services rendered or for annuities received by the trust.

- The IRP5/IT3(a) certificate data submitted to SARS via the EMP501 Employer Reconciliation process will be used to pre-populate the information on the income tax return.
 - The information pre-populated on the return will be locked and cannot be edited.
 - Check the information to ensure that it is correct.
 - SARS cannot alter or delete any of the pre-populated IRP5/IT3(a) data provided by third parties. If the information is incorrect, this must be rectified by the third party via the Employer Reconciliation process.
- Completed the following fields on the return:
 - **'IRP5 certificate number'**
 - **'PAYE Credit'**

16 PARTNERSHIP

- This section will display if you selected 'Y' to the question *"Is the trust a partner in a partnership?"* on the tax form wizard of the return, and it will be repeated according to the number of partnerships indicated.
- Complete the following fields for each Partnership:
 - **'Partnership Name'**
 - **'Specify the trust's profit / loss sharing % during the year of assessment'**
 - **'Did the profit/loss sharing percentage change during the year?' – Select 'Y' or 'N'**
 - **'Indicate if the trust derived a profit / loss from this partnership during the year of assessment' – Select 'Y' or 'N'**
 - **'Indicate if this information is in respect of a local or a foreign partnership'**

17 DETAILS OF CONSOLIDATED TRANSACTIONS FOR TRUST

- This section will display as a separate schedule if on page one of the return:
 - The value in the field *"Specify the number of distinct persons or beneficiaries to whom any of the following transactions were applicable during the year of assessment"* is greater than 50, and
 - 'Y' was selected for any of the listed transactions.
- Complete the applicable fields on the return.
- **'Details of Taxable amounts distributed to / vested in beneficiaries or taxable i.t.o. s7 or paras. 68 – 72 of the Eighth Schedule'**
 - Note: Any capital or income (taxable or non-taxable) distributed as an annuity must be declared in this section under source code 3611.
 - **'Amount subject to tax'**
 - **'Source Code'** – the source code entered must be within the following range:
 - All profit trade source codes (ending with an even digit)
 - 3006 – only valid for years of assessment from 1999 – 2006
 - 3025 – only valid for years of assessment from 2007 onwards
 - Local remuneration and annuities: 3601-3606, 3610, 3611, 3616, 3617, 3667
 - Investment, capital gains, rental, royalties and other income: 4201, 4210, 4212, 4214, 4216, 4218, 4220, 4238 (only from 2015 years of assessment onwards), 4250, 4252

- **'Foreign Tax Credits'**
 - **Total persons taxable** – Insert the total number of persons where a distribution / vesting in beneficiaries occurred or a person was taxable i.t.o. s7 or paragraphs 68 – 72 of the Eighth Schedule
 - On eFiling, use the plus (+) button to add additional rows or the minus (-) button to remove rows.
- **'Details of Non-Taxable Income Distributed'**
 - **'Local Dividends'** – this field is mandatory if an amount greater than zero was declared for *"Local Dividends"* in the *"Amounts considered non-taxable"* section.
 - **Exempt foreign dividends (excl. s10B (3) exemptions)** – this field is mandatory if an amount greater than zero was declared for *"Exempt foreign dividends (excl. s10B (3) exemption)"* in the *"Amounts considered non-taxable"* section.
 - **'Other Non-Taxable income'** – this field is mandatory if an amount greater than zero was declared for *"Other Non-Taxable income"* in the *"Amounts considered non-taxable"* section.
 - Indicate the **'No of persons to whom non-taxable income distributed'** for
 - **'Local Dividends'**
 - **'Exempt foreign dividends (excl. s10B(3) exemption)'**
 - **'Other Non-Taxable income'**
- **'Details of Capital Distribution(s)'**
 - **'How many persons received capital distribution(s) from this trust'**
 - **'Total value of capital distributed by the trust during the year of assessment'**
- **'Details of loan(s) granted to the Trust'**
 - **'How many outstanding loans is the trust liable for?'**
 - **'Total value of outstanding loans the trust is liable for'**
 - **'Was any waiver or compromise exercised in respect of these loans?'** – Select 'Y' or 'N'
 - This field is not applicable from the 2017 year of assessment.
 - **Was security provided for all of these loans?** – Select 'Y' or 'N'
 - This field is not applicable from the 2017 year of assessment.
- **'Details of loan(s) granted by the Trust'**
 - **'How many outstanding loans have been granted by the trust?'**
 - **'Total value of outstanding loans granted by the trust'**
 - **'Was any waiver or compromise exercised in respect of these loans?'** – Select 'Y' or 'N'
 - This field is not applicable from the 2017 year of assessment
 - **'Was security provided for all of these loans?'** – Select 'Y' or 'N'
 - This field is not applicable from the 2017 year of assessment
- **'Details of Donation(s) made by Trust'**
 - **'How many persons received donation(s) from this trust during the year of assessment?'**
 - **'Total value donated by the trust during the year of assessment'**
- **'Details of Contribution(s) made by Trust'**
 - **'How many persons received contribution(s) from this trust during the year of assessment'**
 - **'Total value contributed by the trust during the year of assessment'**

- **‘Details of Donation(s) made to the Trust’**
 - **‘How many persons made donation(s) to this trust during the year of assessment?’**
 - **‘Total value donated to the trust during the year of assessment’**
- **‘Details of Contribution(s) made to the Trust’**
 - **‘How many persons made contribution(s) to this trust during the year of assessment?’**
 - **‘Total value contributed to the trust during the year of assessment’**
- **‘Details of Distribution(s) made to the Trust’**
 - **‘How many trusts / foundations made distribution(s) to this trust during the year of assessment?’**
 - **‘Total value distributed to the trust during the year of assessment’**
- **‘Details of Contribution(s) returned the Trust**
 - **‘How many persons received a return of contribution(s) made to this trust during the year of assessment?’**
 - **‘Total value of contributions returned by the trust during the year of assessment’**
- **‘Details of Expenses incurred i.r.o use of Trust assets’**
 - **‘How many persons enjoyed the right of use of assets retained in this trust?’**
 - **‘Total expenses incurred by this trust in respect of right of use of trust assets during the year of assessment’.**

17.1 DETAILS OF PERSON / BENEFICIARY TO WHOM INCOME, CAPITAL OR ASSETS WERE DISTRIBUTED OR VESTED WITH THE HIGHEST MONETARY VALUE

- This section will display on the tax form wizard of the return:
 - The value in the field *“Specify the number of distinct persons or beneficiaries to whom any of the following transactions were applicable during the year of assessment”* is greater than 50, and
 - ‘Y’ was selected for any of the listed transactions.

17.1.1 INFORMATION OF PERSON / BENEFICIARY

- Select ‘Y’ or ‘N’ for the following options to specify the nature of the person / beneficiary:
 - **‘A connected person in relation to this trust?’**
 - **‘A beneficiary of this trust?’**
 - **‘A founder of this trust?’**
 - **‘A natural person?’**
 - **‘A donor of this trust?’**
 - **‘A non-resident?’**

17.1.2 DETAILS - INDIVIDUAL

- This section will display if the type of person/beneficiary added to the return is an

“Individual”. Complete the following:

- **‘Taxpayer Ref No’** – If the person/beneficiary does not have a tax reference number, complete zero’s (‘0000000000’) in this field.
- **‘Surname’**
- **‘First name’**
- **‘Other name’**
- **‘Initials’**
- **‘Date of birth’**
- **‘Identity number’**
- **‘Passport number’**
- **‘Passport Issue Date’**
- **‘Passport Country’** – This field is mandatory if a passport number has been entered.

17.1.3DETAILS – COMPANY / TRUST

- This section will display if the type of person/beneficiary added to the return is a “Company/Trust”. Complete the following:
 - **‘Taxpayer Ref No’** – If the person/beneficiary does not have a tax reference number, complete zero’s (‘0000000000’) in this field.
 - **‘Company/Trust Reg No’**
 - **‘Registered Name’**

17.1.4DETAILS OF TRANSACTIONS APPLICABLE TO THIS PERSON / BENEFICIARY

- Select the applicable transactions below to indicate if the person/beneficiary during the year of assessment:
 - **‘Was taxable on amounts distributed to / vested in beneficiaries or taxable i.t.o s7 or paras.68-72 of the Eight Schedule’**
 - **‘Received/accrued non-taxable amounts from this trust’**
 - **‘Received/accrued a capital or asset distribution from this trust’**
 - **‘Held loan(s) granted to this trust’**
 - **‘Held loan(s) from this trust’**
 - **‘Made donation(s) to this trust’**
 - **‘Made contribution(s) to this trust’**
 - **‘Received donation(s) from this trust’**
 - **‘Received contribution(s) from this trust’**
 - **‘Made distribution(s)to this trust (only applicable if the related party is a trust or foundation)’**
 - **‘Received refund(s) of contribution(s) made to this trust’**
 - **‘Enjoy the right of use of asset(s) retained in this trust’**
- Complete the information for each of the transactions selected above.
- **‘Details of Taxable amounts distributed to / vested in beneficiaries or taxable i.t.o. s7 or paras. 68 – 72 of the Eighth Schedule’**
 - Note: Any capital or income (taxable or non-taxable) distributed as annuity deemed annuity must be declared in this section under source code 3611.
 - **‘Amount subject to tax’.**
 - **‘Source Code’** – the source code entered must be within the following range:
 - All profit trade source codes (ending with an even digit)
 - 3006 – only valid for years of assessment from 1999 – 2006
 - 3025 – only valid for years of assessment from 2007 onwards
 - Local remuneration and annuities: 3601-3606, 3610, 3611, 3616, 3617, 3667

- Investment, capital gains, rental, royalties and other income: 4201, 4210, 4212, 4214, 4216, 4218, 4220, 4238 (only from 2015 years of assessment onwards), 4250, 4252
 - **'Foreign Tax Credits'**
 - **Total persons taxable** – Insert the total number of persons where a distribution/vesting in beneficiaries occurred or a person was taxable i.t.o. s7 or paragraphs 68 – 72 of the Eighth Schedule
 - On eFiling, use the plus“+” button to add additional rows or the minus “-” button to remove rows.
- **'Details of Non-Taxable Income Distributed'**
 - **'Local Dividends'**
 - **'Exempt foreign dividends (excl. s10B (3) exemptions)'**
 - **'Other Non-Taxable income'**
- **'Details of Capital Distribution(s)'**
 - **'Total value of capital distributed to this person during the year of assessment'**
- **'Details of Expenses incurred i.r.o. Use of Trust Assets'**
 - **'Total expenses incurred by this trust in respect of right of use of trust assets by this person during the year of assessment'**
- **'Details of loan(s) granted by the Trust'**
 - **'Interest rate'**
 - **'Loan amount'**
 - **'Inception date (CCYYMMDD)'**
 - The date must not be greater than the maturity date
 - **'Maturity date (CCYYMMDD)'**
 - **'Repayment periods'**
 - **'Was security provided?' – Select 'Y' or 'N'**
 - This field is not applicable from the 2017 year of assessment
 - **'Any waiver or compromise exercised?' – Select 'Y' or 'N'**
 - This field is not applicable from the 2017 year of assessment
- **'Details of loan(s) granted to the Trust'**
 - **'Interest rate'**
 - **'Loan amount'**
 - **'Inception date (CCYYMMDD)'**
 - The date must not be greater than the maturity date
 - **'Maturity date (CCYYMMDD)'**
 - **'Repayment periods'**
 - **'Was security provided?' – Select 'Y' or 'N'**
 - This field is not applicable from the 2017 year of assessment
 - **'Any waiver or compromise exercised?' – Select 'Y' or 'N'**
 - This field is not applicable from the 2017 year of assessment
 - **'Is this loan subject to donations tax i.t.o. s7C'**
 - Applicable from the 2017 year of assessment
 - Section 7C is intended to focus on interest free loans or loans bearing interest below market rates that are made directly or indirectly by a natural person, or a company; or any person that is a connected person in relation to the person or company. The difference between the amount incurred by the trust as interest and the amount that would have been incurred by that trust at the official interest rate will be treated as having been donated by the connected person to the trust on the last day of a year of assessment

of that person and will therefore be subject to donations tax in terms of s54 of the Income Tax Act. If the deemed interest is below R100 000 for the year of assessment it will be exempt from donations tax

- **‘Details of Donation(s) made to the Trust’**
 - **‘Total value donated by this person during the year of assessment’**
- **‘Details of Contribution(s) made to the Trust’**
 - **‘Total value contributed by this person during the year of assessment’**
- **‘Details of Donation(s) received from the Trust’**
 - **‘Total value donated by the trust to this person during the year of assessment’.**
- **‘Details of Contribution(s) received from the Trust’**
 - **‘Total value contributed by the trust to this person during the year of assessment’.**
- **‘Details of Distribution(s) made to the Trust’**
 - **‘Total value distributed by this person during the year of assessment’.**
- **‘Details of Contribution(s) refunded by the Trust**
 - **‘Total value of contributions refunded by the trust to this person during the year of assessment’.**

18 CONCLUSION

- Should you require any further information which might not be addressed in this guide, please:
 - Visit the SARS website **www.sars.gov.za**; or
 - Visit your nearest SARS branch; or
 - Call the Contact Centre on **0800 00 7277**.

19 CROSS REFERENCES

DOCUMENT TITLE	APPLICABILITY
Comprehensive Guide to the ITR12 Return for Individuals - External Guide	All
How to eFile your Personal Income Tax Return - External Guide	All
How to Register for eFiling and Manage Your User Profile - External Guide	All

20 ACRONYMS AND DEFINITIONS

AFS	Annual Financial Statements
CFC	Controlled Foreign Company
Client	Any person or enterprise conducting business with SARS - Taxpayer, Trader, Tax practitioner and Taxpayer representative
Client	Any person or enterprise conducting business with SARS

HTML5	'HTML5' refers to 'Hyper Text Mark-up Language' and is a type of technology used for structuring and presenting content on websites. Some of the advantages of HTML5 is that it is compatible with multiple web browsers (e.g. Google Chrome, Edge, Firefox, Safari, and Opera) and it offers improved access to users irrespective of the screen size, orientation and resolution of their devices.
IFRS	International Financial Reporting Standards
IT10A	Controlled Foreign Company – prior 2012
IT10B	Controlled Foreign Company – 2012 onwards
IT12EI	Return of Income Exempt Organisations
ITA34T	Notice of Assessment for Trust
ITR12	Return of Income Tax for Companies
ITR12T	Return of Income for Trusts
ITS	Income Tax System
ITSA	Statement of Account
Representative Taxpayer	Means a person who is responsible for paying the tax liability of another person as an agent, other than as a withholding agent, and includes a person who: a) is a representative taxpayer in terms of the Income Tax Act; b) is a representative employer in terms of the Fourth Schedule to the Income Tax Act; or is a representative vendor in terms of section 46 of the Value-Added Tax Act
Return	Means a form, declaration, document or other manner of submitting information to SARS that incorporates a self-assessment or is the basis on which an assessment is to be made by SARS
SARS	South African Revenue Services
Special Trust	Special Trust fall into two categories: a) Trusts created solely for the benefit of one or more persons who is or are persons with a "disability" as defined in section 6B (1) which incapacitates the person or persons from earning sufficient income for their maintenance or from managing their own financial affairs. If the trust is created for the benefit of more than one person with a disability, they must be relatives in relation to each other (a type-A trust) (paragraph (a) of the definition). b) Testamentary trusts created solely for the benefit of relatives of the deceased person. The youngest of the relatives must be under the age of 18 years (a type-B trust) (paragraph (b) of the definition).
TAA	Tax Administration Act
Taxpayer	In terms of the Tax Administration Act No. 28 of 2011, taxpayer means: a) a person chargeable to tax; b) a representative taxpayer; c) a withholding agent; d) a responsible third party; or a person who is the subject of a request to provide assistance under an international tax agreement
Trust	Means the arrangement through which the ownership in property of one person is by virtue of a trust instrument made over or bequeathed - a) to another person, the trustee, in whole or in part, to be administered or disposed of according to the provisions of the trust instrument for the benefit of the person or class of persons designated in the trust instrument or for the achievement of the object stated in the trust instrument; or

	b) to the beneficiaries designated in the trust instrument, which property is placed under the control of another person, the trustee, to be administered or disposed of according to the provisions of the trust instrument for the benefit of the person or class of persons designated in the trust instrument or for the achievement of the object stated in the trust instrument, but does not include the case where the property of another is to be administered by any person as executor, tutor or curator in terms of the provisions of the Administration of Estates Act, 1965 (Act No. 66 of 1965);”
YOA	Year of assessment

APPENDIX A: PASSPORT COUNTRY CODES

Country Name	Country Code
Afghanistan	AFG
Aland Islands	ALA
Albania	ALB
Algeria	DZA
American Samoa	ASM
Andorra	AND
Angola	AGO
Anguilla	AIA
Antarctica	ATA
Antigua and Barbuda	ATG
Argentina	ARG
Armenia	ARM
Aruba	ABW
Australia	AUS
Austria	AUT
Azerbaijan	AZE
Bahamas	BHS
Bahrain	BHR
Bangladesh	BGD
Barbados	BRB
Belarus	BLR
Belgium	BEL
Belize	BLZ
Benin	BEN
Bermuda	BMU
Bhutan	BTN
Bolivia	BOL
Bosnia and Herzegovina	BIH
Botswana	BWA
Bouvet Island	BVT
Brazil	BRA
British Indian Ocean Territory	IOT
Brunei Darussalam	BRN
Bulgaria	BGR
Burkina Faso	BFA
Burundi	BDI
Cambodia	KHM
Cameroon	CMR

Country Name	Country Code
Canada	CAN
Cape Verde	CPV
Cayman Islands	CYM
Central African Republic	CAF
Chad	TCD
Chile	CHL
China	CHN
Christmas Island	CXR
Cocos (Keeling) Island	CCK
Colombia	COL
Comoros	COM
Congo	COG
Cook Islands	COK
Costa Rica	CRI
Côte d'Ivoire	CIV
Croatia	HRV
Cuba	CUB
Cyprus	CYP
Czech Republic	CZE
Democratic People's Republic of Korea	PRK
Democratic Republic of the Congo	COD
Denmark	DNK
Djibouti	DJI
Dominica	DMA
Dominican Republic	DOM
Ecuador	ECU
Egypt	EGY
El Salvador	SLV
Equatorial Guinea	GNQ
Eritrea	ERI
Estonia	EST
Ethiopia	ETH
Falkland Islands (Malvinas)	FLK
Faroe Islands	FRO
Fiji	FJI
Finland	FIN
France	FRA
France, Metropolitan	FXX
French Guiana	GUF
French Polynesia	PYF

Country Name	Country Code
French Southern Territories - TF	ATF
Gabon	GAB
Gambia	GMB
Georgia	GEO
Germany	DEU
Ghana	GHA
Gibraltar	GIB
Greece	GRC
Greenland	GRL
Grenada	GRD
Guadeloupe	GLP
Guam	GUM
Guatemala	GTM
Guernsey	GGY
Guinea	GIN
Guinea-Bissau	GNB
Guyana	GUY
Haiti	HTI
Heard and McDonald Islands	HMD
Honduras	HND
Hong Kong Special Administrative Region of China	HKG
Hungary	HUN
Iceland	ISL
India	IND
Indonesia	IDN
Iran, Islamic Republic of	IRN
Iraq	IRQ
Ireland	IRL
Isle of Man	IMN
Israel	ISR
Italy	ITA
Jamaica	JAM
Japan	JPN
Jersey	JEY
Jordan	JOR
Kazakhstan	KAZ
Kenya	KEN
Kiribati	KIR
Kuwait	KWT
Kyrgyzstan	KGZ

Country Name	Country Code
Lao People's Democratic Republic	LAO
Latvia	LVA
Lebanon	LBN
Lesotho	LSO
Liberia	LBR
Libyan Arab Jamahiriya	LBY
Liechtenstein	LIE
Lithuania	LTU
Luxembourg	LUX
Macao Special Administrative Region of China	MAC
Madagascar	MDG
Malawi	MWI
Malaysia	MYS
Maldives	MDV
Mali	MLI
Malta	MLT
Marshall Islands	MHL
Martinique	MTQ
Mauritania	MRT
Mauritius	MUS
Mayotte	MYT
Mexico	MEX
Micronesia, Federated States of	FSM
Moldova	MDA
Monaco	MCO
Mongolia	MNG
Montenegro	MNE
Montserrat	MSR
Morocco	MAR
Mozambique	MOZ
Myanmar	MMR
Namibia	NAM
Nauru	NRU
Nepal	NPL
Netherlands	NLD
Netherlands Antilles	ANT
Neutral Zone	NTZ
New Caledonia	NCL
New Zealand	NZL
Nicaragua	NIC

Country Name	Country Code
Niger	NER
Nigeria	NGA
Niue	NIU
Norfolk Island	NFK
Northern Mariana Islands	MNP
Norway	NOR
Occupied Palestinian Territory	PSE
Oman	OMN
Pakistan	PAK
Palau	PLW
Panama	PAN
Papua New Guinea	PNG
Paraguay	PRY
Peru	PER
Philippines	PHL
Pitcairn	PCN
Poland	POL
Portugal	PRT
Puerto Rico	PRI
Qatar	QAT
Republic of Korea	KOR
Réunion	REU
Romania	ROU
Russian Federation	RUS
Rwanda	RWA
Saint Helena	SHN
Saint Kitts and Nevis	KNA
Saint Lucia	LCA
Saint Pierre and Miquelon	SPM
Saint Vincent and the Grenadines	VCT
Samoa	WSM
San Marino	SMR
Sao Tome and Principe	STP
Saudi Arabia	SAU
Senegal	SEN
Serbia	SRB
Seychelles	SYC
Sierra Leone	SLE
Singapore	SGP
Slovakia	SVK

Country Name	Country Code
Slovenia	SVN
Solomon Islands	SLB
Somalia	SOM
South Africa	ZAF
South Georgia and South Sandwich Is.	SGS
Spain	ESP
Sri Lanka	LKA
Sudan	SDN
Suriname	SUR
Svalbard and Jan Mayen Islands	SJM
Swaziland	SWZ
Sweden	SWE
Switzerland	CHE
Syrian Arab Republic	SYR
Taiwan, Province of China	TWN
Tajikistan	TJK
Thailand	THA
The former Yugoslav Republic of Macedonia	MKD
Timor-Leste	TLS
Togo	TGO
Tokelau	TKL
Tonga	TON
Trinidad and Tobago	TTO
Tunisia	TUN
Turkey	TUR
Turkmenistan	TKM
Turks and Caicos Islands	TCA
Tuvalu	TUV
Uganda	UGA
Ukraine	UKR
United Arab Emirates	ARE
United Kingdom of Great Britain (Citizen)	GBR
United Kingdom of Great Britain (Dependent Territories Citizen)	GBD
United Kingdom of Great Britain (National Overseas)	GBN
United Kingdom of Great Britain (Overseas citizen)	GBO
United Kingdom of Great Britain (Protected person)	GBP
United Kingdom of Great Britain (Subject)	GBS
United Republic of Tanzania	TZA
United States of America	USA

Country Name	Country Code
Uruguay	URY
US Minor Outlying Islands	UMI
Uzbekistan	UZB
Vanuatu	VUT
Vatican City State (Holy See)	VAT
Venezuela	VEN
Viet Nam	VNM
Virgin Islands (British)	VGB
Virgin Islands (United States)	VIR
Wallis and Futuna Islands	WLF
Western Sahara	ESH
Yemen	YEM
Zambia	ZMB
Zimbabwe	ZWE
Any country not on this list	ZNC

APPENDIX B: MAIN ASSET TYPE SOURCE CODE

- The following asset source codes must be used when declaring local / foreign capital gains / losses transactions.

Codes	Description
6502	GAIN: Immovable assets
6503	LOSS: Immovable assets
6504	GAIN: Primary residence
6505	LOSS: Primary residence
6506	GAIN: Financial instruments – Listed, including assets of which prices are regularly published in newspaper
6507	LOSS: Financial instruments – Listed, including assets of which prices are regularly published in newspaper
6508	GAIN: Financial instruments – Unlisted
6509	LOSS: Financial instruments – Unlisted
6510	GAIN: Intangible assets
6511	LOSS: Intangible assets
6514	GAIN: Plant and machinery
6515	LOSS: Plant and machinery
6516	GAIN: Other movable property used mainly for trade purposes
6517	LOSS: Other movable property used mainly for trade purposes
6518	GAIN: Other movable property used mainly for trade purposes other than personal-use assets
6519	LOSS: Other movable property used mainly for trade purposes other than personal-use assets
6520	Gain: Financial instruments – Crypto Asset(s)
6521	Loss: Financial instruments – Crypto Asset(s)

DISCLAIMER

The information contained in this guide is intended as guidance only and is not considered to be a legal reference, nor is it a binding ruling. The information does not take the place of legislation and readers who are in doubt regarding any aspect of the information displayed in the guide should refer to the relevant legislation, or seek a formal opinion from a suitably qualified individual.

For more information about the contents of this publication you may:

- Visit the SARS website at www.sars.gov.za
- Visit your nearest SARS branch
- Contact your own registered tax practitioner
- If calling from within South Africa, contact the SARS Contact Centre on 0800 00 7277
- If calling from outside South Africa, contact the SARS Contact Centre on +27 11 602 2093 (only between 8am and 4pm South African time).