

Sars to implement tax relief measures

The South African Revenue Service (Sars) will implement tax relief measures in response to the continuing Covid-19 pandemic and recent civil unrest to assist affected and tax compliant businesses to recover and ensure livelihoods for their employees.



Source: Supplied

“Sars will implement these tax relief measures because compliant taxpayers have paid their fair share of tax, making it possible for government to provide such a temporary safety net in a time of extreme difficulty,” the revenue collector said in a statement.

Sars commissioner Edward Kieswetter said the first quarter of the current financial year had exceeded expectations and had outperformed revenue collections for the same period over the past three years.

He reiterated Sars' commitment to providing clarity and certainty to taxpayers so that they fulfil their legal obligations effortlessly and pay what is due. Sars, he said, will endeavour at all times to “make it easy and seamless for taxpayers when they transact with the organisation”.

However, Kieswetter warned that Sars has the capability to “detect and it make it costly for those that are determined to be non-compliant with their legal obligations and engage in criminal malfeasance through fraudulent means against the organisation.”

“The use of big data, artificial intelligence and the latest technology enables Sars to offer digital services to protect taxpayers and staff during the Covid-19 lockdown restrictions and further buttresses Sars efforts in delivering on our mandate,” he said.

Deferrals

Measures to be implemented include the extension of the expanded Employment Tax Incentive age eligibility and the amount that can be claimed, which is aimed at supporting employment in the most vulnerable sections of the labour market.

This will apply for a period of four months and will come into operation on 1 August 2021 and end on 30 November 2021.

The payment of employees' tax liabilities of compliant small- to medium-sized businesses deferral will be extended between 1 August and October 2021.

“Tax compliant businesses with a gross income of up to R100m will be allowed to delay 35% of their pay-as-you earn (PAYE) liabilities over the next three months, without penalties or interest.

“[There will be a] deferral of excise duties on alcoholic beverages of up to three months by tax compliant licensees in the alcohol sector, on application setting out the circumstances justifying a deferral,” Sars said.

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