



Tax & Legal Flash



July 2020

Carbon Offset Administration System is now live

In a media statement issued on 22 July 2020, the Department of Mineral Resources and Energy (“DMRE”) announced that, as of 23 July 2020, the Carbon Offset Administration System (“COAS”) would be live.

Section 13 of the Carbon Tax Act, No 15 of 2019 (“the Act”) provides for a carbon offset allowance, whereby taxpayers may reduce the amount of carbon tax payable by utilising carbon offsets in respect of an approved project, as prescribed by the Minister. The COAS will facilitate the receipt and approval of project applications, as well as the issuance of the offset retirement certificates, in order for the carbon offset allowance to be claimed under the Carbon Tax Act.

All the relevant participants, as outlined by the Carbon Offsets Regulations which were published on 29 November 2019, may register on the COAS to enable the submission of project applications for further processing at the following link: www.carbon.energy.gov.za.

Taxpayers should bear in mind that the submission of annual carbon tax accounts and the payment of carbon tax account is now due by **31 October 2020** for the period ended 31 December 2019.

For additional information or assistance, please contact a member of our Carbon Tax Team:

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