



Public notice on persons required to submit third party returns

July 2023

On Friday, 30 June 2023, the South African Revenue Service (SARS) published a public notice (No. 3631) in the Government Gazette listing the persons who are required to submit third party returns (the "Notice"). The Notice replaces Public Notice 241 dated 23 March 2018 for periods commencing on or after 1 March 2023. The list of persons required to submit third party returns remains substantially the same save for the changes as indicated below.

Changes to category of persons required to submit third party returns

The Notice makes allowance for two new categories of persons, namely:

- A person referred to in section 18A(1)(a) to (c) of the Income Tax Act (the "Act"), being Public Benefit Organisations, section 10(1)(cA) bodies or government departments that have been approved under section 18A, that issued a receipt allowing for the deduction of donations made, in terms of section 18A(2) of the Act; and
- A "trust" as defined in section 1 of the Act, that is a "resident" as defined in that section, or a non-resident that is required to submit an annual income tax return. Any Collective Investment Scheme as defined in the Collective Investment Schemes Control Act, 2002, a "portfolio of a collective investment scheme" and any "portfolio of a hedge fund collective investment scheme" and an Employment Share Incentive Scheme Trust are excluded.

The Notice now makes reference to a "property practitioner" as defined in the Property Practitioners Act, 22 of 2019 (which came into operation on 1 February 2022) and not an "estate agent" as defined in the Estate Agency Affairs Act 112 of 1976.

Changes in relation to the returns required to be submitted

- Whereas previously, medical aid schemes registered under the Medical Schemes Act 131 of 1998, were required to submit third party returns relating to contributions made by persons in respect of a medical scheme, and all expenses paid on behalf of such persons by a medical scheme, the Notice now requires medical schemes to submit information relating to "contributions made by a person in respect of a medical scheme and all expenses paid by a medical scheme on behalf of such person and a dependant of such person".
- Persons referred to in section 18A(1)(a) to (c) of the Act, are required to submit returns relating to any amount donated to them for which a section 18A receipt has been issued and all information required to be included on the section 18A receipt.

- Trusts as defined in section 1 of the Act are required to submit returns relating to any amount vested in a beneficiary including income (nett of expenditure), capital gains and capital amounts.

When must the returns be submitted to SARS

Third party returns containing all prescribed information in respect of the period from:

- 1 March to 31 August, must be submitted by 31 October of each year; and
- 1 March to the end of February, must be submitted by 31 May of each year.

Persons referred to in section 18A(1)(a) to (c) of the Act, who must submit a return for the first time as a result of being listed in the Notice, are not required to submit a return for the period from 1 March 2023 to 31 August 2023.

In respect of trusts (as defined in the list of persons required to submit third party returns), the third party returns, containing all prescribed information in respect of the period from 1 March to the end of February, must be submitted by 31 May of each year. The first return in respect of trusts would therefore be due on 31 May 2024.

Manner of submitting a third party return

Declarations in respect of third party returns must be submitted electronically using the designated SARS electronic filing service.

For more information and assistance, please contact:

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