

**Office of the  
Commissioner**



**Office**  
Pretoria

**Enquiries**  
Leon Potgieter

**Telephone**  
(012) 422 5822

**Room**  
Block A2

**Reference**  
CIT Admin Penalties

**Date**  
12 October 2018

**Mr Sipho Pityana**  
President  
Business Unity South Africa (BUSA)  
P O Box 652807  
Benmore  
2010

**South African Revenue Service**

Pretoria Head Office  
299 Bronkhorst Street,  
Nieuw Muckleneuk, 0181

Private Bag X923, Pretoria, 0001  
SARS online: [www.sars.gov.za](http://www.sars.gov.za)  
Telephone (012) 422 4000

E-mail: CC – Tanya Cohen [tanya.cohen@busa.org.za](mailto:tanya.cohen@busa.org.za)  
CC – Olivier Serrao: [Olivier.Serrao@busa.org.za](mailto:Olivier.Serrao@busa.org.za)

Dear Mr Pityana

## **PENALTIES FOR NON-SUBMISSION OF CORPORATE INCOME TAX RETURNS**

As you may be aware, SARS currently imposes administrative penalties only in respect of the non-submission of individual income tax returns.

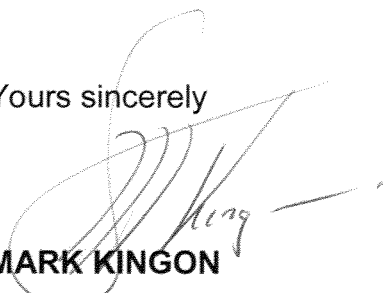
As from 7 December 2018, administrative penalties for late Corporate Income Tax (CIT) returns will be imposed. These penalties will be raised in terms of section 210 of the Tax Administration Act and the required Gazette will be issued in terms of section 210(2) of that Act. This will result in SARS imposing administrative penalties on over 300 000 companies who failed to submit their annual CIT returns.

To ensure that the concerned parties are adequately informed, SARS will issue letters to affected companies reflecting their return statuses. The letters will simply be a proactive friendly reminder, which will be followed up with a final demand letter after 7 December 2018, and thereafter, the levying of penalties will commence.

We are very comfortable that our systems have been enhanced to facilitate this process seamlessly. Our frontline service staff is being trained to deal with these and related queries, and has been mobilised to continue serving our taxpayers towards becoming compliant.

As a key SARS stakeholder with a number of tax practitioner members, we would appreciate it if you could inform your membership of our intention as noted above.

Yours sincerely



**MARK KINGON**  
**ACTING COMMISSIONER: SARS**  
DATE: 2018