

Tax filing deadline looms for non-provisional taxpayers

With time running out to file your 2015 tax return with SARS, here are a few tips to help you streamline this process.



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Here are a few tips from Yolandi Esterhuizen, Legislation Manager at Sage HR & Payroll, VIP Division to help you streamline this process.

If you are a non-provisional taxpayer, you must file your ITR12 (or income tax return) on e-Filing (using the e-Filing platform or electronically through the assistance of a SARS official at an office of SARS) by 27 November 2015. Provisional taxpayers have until 29 January 2016 to submit their returns.

Here are tips to help ensure that the process goes smoothly.

Determine whether you need to file a return

If you earned remuneration of less than R350 000 before tax, for the period 1 March 2014 - 28 February 2015 as a result of employment, and

- you only had one employer (i.e. one IRP5);
- your employer deducted the necessary amount of PAYE (pay as you earn);
- you did not have any other form of income (e.g. interest or rental income);
- you did not receive a travel, subsistence or public office allowance and
- you don't want to claim deductions such as medical expenses, retirement annuities or travel expenditure, then you don't have to submit a tax return.

There are other conditions which might still force you to submit a return even if you do not fall within the category of people as explained above. If you are not sure whether to submit a return, the questionnaire on the SARS website can be used.

Remember to declare additional sources of income

If you are earning any income apart from your wages or salary with your primary employer, you should declare it to SARS and pay the necessary income tax. Examples of additional sources of income on which SARS will calculate income tax include renting a property to a tenant and earning more than the tax-free allowance in interest. Be sure to obtain your tax certificates such as an IT3(b), IT3(c) and IT3(s) from your bank and investment funds for interest, dividends or capital gains you may have made. In most cases, these will be posted or emailed to you.

Gather supporting documents for any expenses you can claim

Remember to claim any allowable expenses you incurred while you were earning your income. For example, if you received a travel allowance from your employer, be sure to claim your business expenditure otherwise the full amount of the allowance will be taxed. If you rent out a property, some maintenance and running costs may be tax deductible.

If you earn mainly commission or freelance income using your own equipment and facilities (such as computers, tools, phone, home office etc.), some of the costs you incurred may also be allowed as a deduction before tax is calculated. Also, remember to make sure that SARS is aware of your tax-deductible contributions to a pension fund or retirement annuity. Medical expenses such as prescription medicine or doctors' visits that your medical aid didn't cover should be indicated on your return as SARS will apply a formula to calculate how much you will be allowed as a tax credit.

Ensure that you have the necessary statements and certificates to substantiate your claims. SARS will probably want to see them, so phone up your medical aid or retirement fund if they haven't sent you the paperwork. It's a good idea to scan and file any other paperwork throughout the year, and to track your expenses on a spreadsheet or accounting package.

Consult with a registered tax practitioner

A good tax practitioner can be helpful when you're filing your return, especially if your affairs are relatively complex. He or she might be able to identify legitimate tax deductions that can help you to bring your tax bill down. The practitioner will ensure that your return is accurate which reduces your risk of incurring penalties for filing incorrect information. All registered tax practitioners need to be registered with SARS as well as a Recognised Controlling Body (RCB) such as SAICA (South African Institute of Chartered Accountants) or SAIT (South African Institute of Tax Professionals).

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