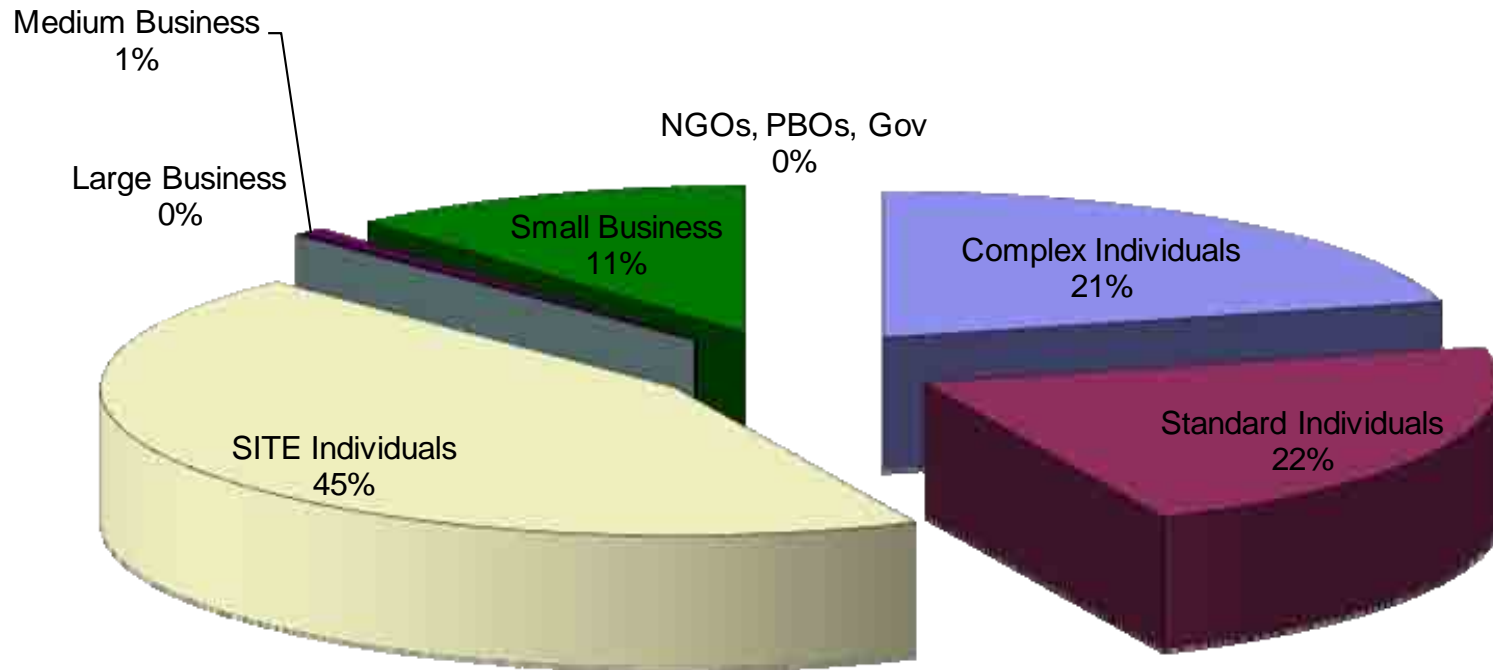


Small Business is Big Business at SARS

City of Joburg

11 June 2008

On the SARS register



Small Business Tax Amnesty

- Individuals, unlisted companies, close corporations, trusts & co-operatives carrying on a business, with a gross income not exceeding R10 million during the 2006 year of assessment
- Over 360 000 applications received
- About 120 000 applications did not have all the required information.
- SARS has processed all the complete applications and has been lenient with the submission of outstanding information
- However, a closing date for such submissions will be announced publicly by the Commissioner and no further submissions will be accepted after this date
- Concern that some of the applicants have not submitted returns for 2006/7 and 2007/8 financial years which is not covered by the amnesty

Small Business Tax Amnesty – JHB, East Rand (Alberton ; Germiston ; Boksburg)

Area	Total Applications Received	Outstanding Information	Finalised
Johannesburg	44983	22851	22133
Germiston	7753	3678	4075
Boksburg	2500	1105	1395
Alberton	8241	5690	2551

Existing options for Small Businesses

- Income tax – Small Business Corporations – graduated rate structure & accelerated depreciation
- Value-Added Tax
 - Small Retailers VAT Package
 - Cash Accounting for small non-incorporated vendors
 - 4 monthly filing of returns
- Capital Gains Tax - Relief for natural persons running small businesses who reinvest in their business in stead of providing for their own retirement
- Customs - 40% reduction in security requested from Small Business Corporations

New simplified tax regime for very small businesses

- Regressive compliance burden faced by small business
- SARS is working with National Treasury on the elective presumptive turnover based tax for businesses with a turnover up to R1 million
- Small businesses are encouraged to make representations on these announcements made during the Minister's budget speech
- A Bill containing all the details will be published for comment before this becomes law and again all small businesses are encouraged to provide input
- Input will carry even more weight if it is from groups or associations of businesses

Small Business Imbizos

- SARS would like to engage with small business operators and owners directly on
 - the proposed simplified tax regime and
 - generally on measures to reduce the compliance burden – a national priority
- Chambers of commerce and industry and industry associations are invited to partner with SARS in co-hosting these events

Taxpayer Education

- Regional offices regularly conduct taxpayer education workshops
- The next workshops scheduled can be obtained from
 - Mishack Makofane
 - Office Number: (011) 411 7200
 - Cell phone number: 082 567 1057
 - E-mail address mmakofane@sars.gov.za

SARS at your service

- Your questions, comments and inputs are always welcome.
- Please contact us at:
 - E-mail - sbusiness@sars.gov.za
 - Telephone – 012 422 4957 (Sekedi Mokgolobotho)
 - Telephone – 011 449 8528 (Pakane Matau)
 - Telephone – 011 449 8536 (Xoliswa Sikuza)
 - Telephone – 011 449 8535 (Phethile Sgalelana)