



Individual Tax Module

Release Notes
July 2019



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1. Introduction

The latest release of the Individual Tax Module (ITM) contains the new and amended fields and rules as introduced by the SARS ITR12 form changes.

This version of ITM requires the latest version of TaxWare to be installed (Version 2.2.5.17 Set file 2.632 released February 2019).

2. New Compliance Changes

The following compliance changes have been made to ITM. Please note that fields that have been removed or renamed have not been included in this document.

2.1. Investment Income Section

2.1.1. Communal Estate Exclusion Feature

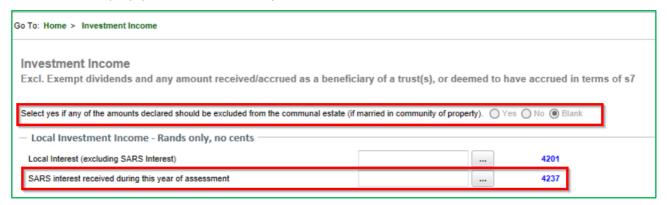
A new selection button has been inserted to be ticked if Investment Income should be excluded from the communal estate.

2.1.2. Local Interest

Local interest has been split between:

- a) Local Interest (excluding SARS Interest) with source code 4201;
 - Where pre-populated by the system, the field will be editable, allowing users to only increase the value.
- b) and the new field SARS Interest received during this year of assessment with source code 4237.

The field is not pre-populated and not mandatory.



2.2. Foreign Income section

2.2.1. Communal Estate Exclusion Feature

A new selection button has been inserted to be ticked if Foreign Income should be excluded from the communal estate.

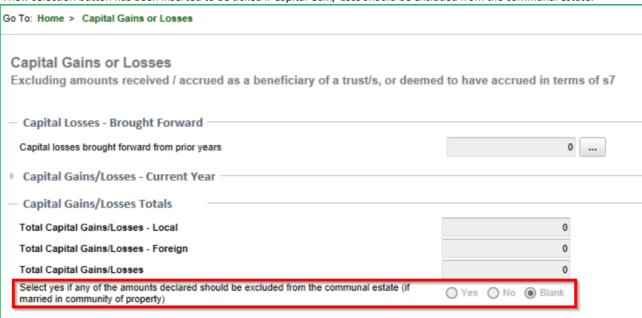
Go	To: Home > Foreign Income
E	Foreign Income Excl. investment income and CGT and amount received/accrued as a beneficiary of a trust(s), or deemed to have accrued in terms of s7 - Rands only, unless cents specified
	Select yes if the Foreign Rental (Profit/Loss) declared below should be excluded from



2.3. Capital Gain/Loss section

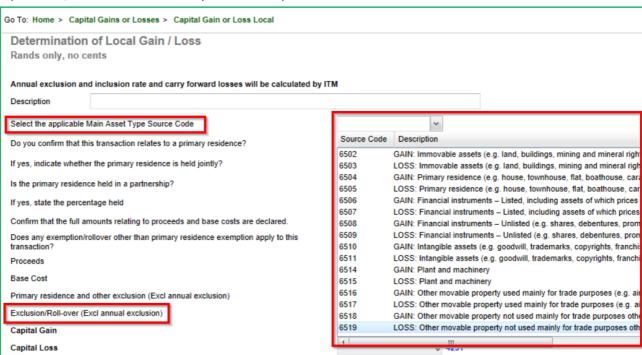
2.3.1. Communal Estate Exclusion Feature

A new selection button has been inserted to be ticked if Capital Gain/ Loss should be excluded from the communal estate.



2.3.2. Exclusion/Roll-over (excluding annual exclusion)

A new field has been added 'Exclusion/Roll-over (excluding annual exclusion)', and Local Capital Gains / Losses and Foreign Capital Gains / Losses will now have a drop down list to capture the Main Asset Source Code.



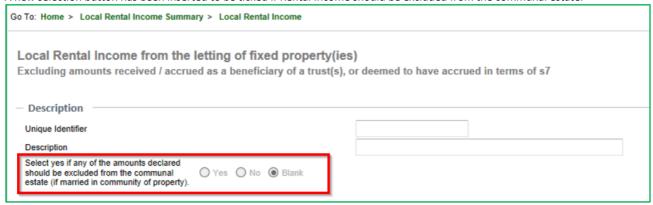
4



2.4. Local Rental Income section

2.4.1. Communal Estate Exclusion Feature

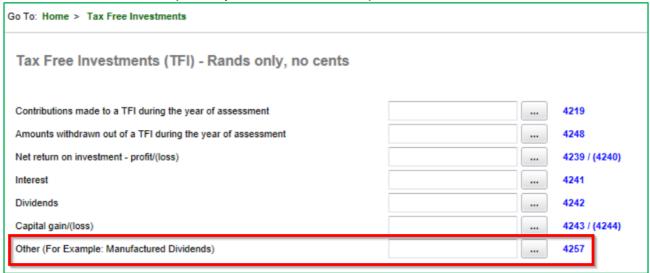
A new selection button has been inserted to be ticked if Rental Income should be excluded from the communal estate.



2.5. Tax Free Investments section

2.5.1. Other

A new field has been added 'Other (For Example: Manufactured dividends)' with source code 4257.



2.6. Trust Income section

2.6.1. Local Income

Local interest has been split between:

- c) Local Interest (excluding SARS Interest) with source code 4201;
 - Where pre-populated by the system, the field will be editable, allowing users to only increase the value.
- d) and the new field SARS Interest received during this year of assessment with source code 4237.
 - The field is not pre-populated and not mandatory.

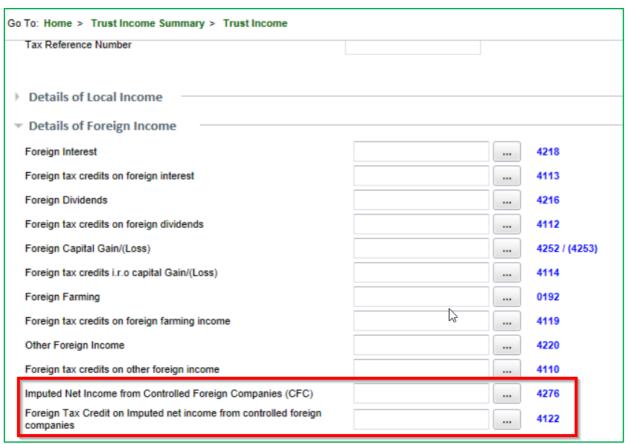


G	o To: Home > Trust Income Summary > Trust Income					
ı	Trust Income Income distributed to you / vested in you as a beneficial	ry of a trust or deemed to	o have	accrue	d in terms	s of s7
-	Trust Description					
	Name					
	Registration Number					
	Tax Reference Number					
7	Details of Local Income					
	Local Remuneration				v	
B	Local Annuities				~	
Γ	Local Interest			4201		
	SARS Interest			4237		

2.6.2. Foreign Income

Two new fields have been added to Trust Foreign Income:

- a) Imputed Net Income from Controlled Foreign Companies (CFC), and
- b) Foreign Tax Credit on net Income from Controlled Foreign Companies (CFC)





2.7. Deductions

2.7.1. Other Deductions

A new field has been added to other deductions:

Deduction i.t.o. s6quat (1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income.

Go To: Home > Other Deductions			
of s10(1)(o)(ii). (This amount is restricted to s8A/8C gains, excluding dividends)		•••	4032
	Details of the s8A/8C gains		
Deduction i.t.o. s6quat (1C) for foreign taxes paid or proved to be payable to a foreign government of any country on any SA sourced trade income			4053

2.7.2. Qualifying criteria for s10(1)(o)(ii) exemption

A new question has been added to the qualifying criteria:

Go To: Home > Other Deductions > Qualifying criteria	
Qualifying criteria for s10(1)(o)(ii) exemption (excluding s8A/8C gains and dividends)	
Confirm that the remuneration against which this exemption is claimed was not derived i.r.o. the holding of a public office as contemplated in s9(2)(g), or from services rendered / work / labour performed for the SA government / municipality / constitutional institution / SA public entity as contemplated in s9(2)(h) of the Income Tax Act.	
Were you employed to render services outside SA? ○ Yes ○ No ● Blank	

2.8. Statement of Assets and Liabilities

2.8.1. Cryptocurrency - Assets

A new field has been added **Financial Instruments – Cryptocurrency**, and a change to **Financial Instruments Listed (Shares, unit trusts etc) - excluding Cryptocurrency**.

Local Assets (at Cost)	2019	2018
Fixed Properties and all Improvements to Properties		
Shares in Private Company or Member's Interest in Close Corporation		
oan Accounts		
Financial Instruments Listed (Shares, Unit Trusts, etc.) - excluding Cryptocurrency		
Financial Instruments - Cryptocurrency		

3. Prepopulated Data Enhancements

This version of ITM will contain more pre-populated data received from SARS. In addition to the IRP5, the Retirement Fund Contributions and Medical sections that were prepopulated in prior versions of ITM, Interest Income has also been added to load the data that SARS has on record.



4. Other updates

Along with the above compliance changes, additional fixes have been made to ITM based on feedback from prior year returns.

4.1. Email Validation

Email validation rules have been updated to support email addresses with the following format "me@123email.co.za".

4.2. Income Received Warning Message

A warning message for validation of the 3601 income amount (on IRP5) has been added.

Message: "Please note that your PAYE Tax Credits value may not be greater than your 3601 value."

All of the above fixes have been made for all Years of Assessment.



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