

EXTERNAL GUIDE

FOREIGN SUPPLIERS OF ELECTRONIC SERVICES

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1 PURPOSE

- a. This guide is applicable to Foreign Suppliers of Electronic Services (Foreign Electronic Service Entity) and explains how to :
 - i. Complete the VAT101 - Application for Registration for Value Added Tax - External Form (VAT Application Form)
 - ii. Complete the VAT 201 - VAT Vendor Declaration (VAT201)
 - iii. File the VAT201 and make payment of VAT, and
 - iv. Request for a VAT registration to be cancelled, where the value of electronic services supplied has not exceeded the R1 million threshold in a period of 12 months.
- b. This guide in its design, development, implementation and review phases is guided and underpinned by the SARS values, code of conduct and the applicable legislation. Should any aspect of this guide be in conflict with the applicable legislation the legislation will take precedence.

2 GENERAL INFORMATION

- a. The South African (SA) VAT legislation requires Foreign Electronic Service Entities to register for Value-Added Tax (VAT) in SA, where the total value of electronic services supplied in SA exceeded R1 million within the 12 month period, with effect from 1 April 2019.
- b. This was underpinned by the following legislation in the VAT Act –
 - v. The definition of “electronic services” according to section 1(1) of the VAT Act means those services prescribed by the Minister by Regulation as set out in the VAT Act.
 - vi. The aforementioned regulations were published in Government Notice No. R.221 which came into operation on 01 June 2014 (referred to as the Original Regulations).
 - vii. The definition of an “enterprise” according to section 1(1) of the VAT Act includes the following:
 - The supply of electronic services by a person from an export country where two of the following criteria are met:
 - The recipient of the electronic services is a resident of SA; or
 - The payment to the foreign electronic service entity originates from a bank registered or authorised in terms of the Banks Act 94 of 1990;
 - The recipient of the electronic services has a business, residential or postal address in SA.
 - viii. Foreign Electronic Service Entities were required to register for VAT in SA where the total value of electronic services supplied in SA exceeded R50 000 (compulsory registration, effective for the period 1 June 2014 to 31 March 2019) in terms of section 23(1A) of the VAT Act. 1 June
- c. Further changes as set out below were made to the VAT Act which came into operation on 01 April 2019:
 - i. The definition of “electronic services” according to section 1(1) of the VAT Act was amended to widen the scope of services which will qualify as “electronic services” supplied by Foreign Electronic Service Entities in SA. In this regard, the Original Regulations was amended by Government Notice No. 429.
 - ii. The definition of an “enterprise” according to section 1(1) of the VAT Act is broadened to include the activities of an intermediary.
 - iii. A new definition of “intermediary” was inserted in section 1(1) of the VAT Act to mean a person who facilitates the supply of electronic services supplied by the Foreign Electronic Service Entity and who is responsible for issuing the invoices and collecting payment for the supply.
 - iv. The compulsory registration threshold contained in section 23(1A) of the VAT Act was increased to R1 million (effective 1 April 2019) and applies to an intermediary.
- d. VAT is levied at the standard rate of 15% effective from 1 April 2018. The standard rate of 14% was applicable until 31 March 2018.
- e. Complete the VAT Application Form in English.
 - i. Supporting documents must accompany the application.
 - ii. Translate supporting documents not in English, to English and furnished to SARS.

- iii. To access the list of supporting documents, clicks on the following link <https://www.sars.gov.za/ClientSegments/Pages/Relevant-Material-or-Supporting-Documents.aspx>

3 REGISTRATION PROCESS

- a. Registration for SA VAT must be done by downloading the VAT Application Form from the SARS website ([VAT101](#)).
- b. After completing and signing the VAT Application Form, email it together with the supporting documents to SARS at eCommerceRegistration@sars.gov.za.
- c. The Commissioner will process the VAT Application Form and determine date from which a Foreign Electronic Service Entity is required to commence charging SA VAT at standard rate.

4 INSTRUCTIONS FOR COMPLETING THE VAT APPLICATION FORM

- a. **Note:** Before completing the VAT Application Form please read the following instructions.
- b. Should you experience any difficulty in completing the VAT Application Form you are welcome to contact the SARS contact centre (0800 007 277) or visit the SARS website (www.sars.gov.za).
- c. Print clearly, using a **blue** or **black** pen only.
- d. Use BLOCK LETTERS and print one character in each block. Example:
- i.

M	A	G	S		N	A	I	D	O	O
---	---	---	---	--	---	---	---	---	---	---
- e. Place an X in the relevant choice blocks.
- f. 'CCYYMMDD' format is CC the century, YY the year, MM the month and DD the day in the month.
- g. Any alterations on the VAT Application Form must be initialled by the taxpayer/representative taxpayer/vendor.
- h. You are obliged to make a full and accurate disclosure of all relevant information on the VAT Application Form.
- i. The Foreign Electronic Service Entity is required to register as an eFiler.
- i. Registration as an eFiler will enable the Foreign Electronic Service entity to file VAT201s and make VAT payments from outside SA.
- ii. For more information on how to register as an eFiler, please visit the SARS website (www.sars.gov.za).
- j. Once the application for VAT registration has been successfully processed, you will receive a Notice of Registration.
- i. You can also confirm if your application for VAT registration has been processed by entering your details under "VAT vendor search" on the SARS website.
- ii. [Go to www.sars.gov.za TAX TYPES VAT VAT Vendor Search].
- iii. SARS employees are not allowed to verbally confirm your VAT registration number, and if a VAT registration number has been allocated, the SARS employee will provide confirmation thereof by issuing a Notice of Registration.

- For an individual (not a RSA citizen), insert the date ('CCYYMMDD' format) the passport or permit was issued.

b. APPLICANT DETAILS – COMPANY/TRUST/PARTNERSHIP AND OTHER ENTITIES

- The fields in this container must only be completed if the Foreign Electronic Service Entity is conducted by a non-natural person, e.g. by a Company or Trust.

Company/CC/Trust Registration Number

- The registration number is not applicable and can be left blank if the Nature of Entity is a club, Collective Investment Scheme, a Partnership or Body of Persons.
- The Company Registration number is the number supplied by Companies and Intellectual Property Commission (CIPC) / Master of the High Court / Country of Residence for a successful registration of the entity.
- Record the registration number of the entity in the blocks provided. Do not include any spaces and do not use the slash ("/") or dash ("-") signs.

Registered Name

- In the case of a partnership, company, etc. The business or organisation name that appears on all official / legal documents must be inserted.
- Registration is based on the registered name and not the trading name.
- Record the name which the Company/CC/Trust/Co-operative is registered with the applicable registration authority.

Trading Name

- The trading name is the name under which your business trades. It is commonly the name known by the suppliers or customers and it may be different from your business registered name.
- If the trading name is the same as the legal name, rewrite the name. DO NOT write 'as above', 'not applicable' or 'n/a'.

Main Industry Classification Code

- Please insert code "3455" in this field

Registration Date

- It is a date in the format ('CCYYMMDD') where the value of taxable supplies made by the Foreign Electronic Service Entity exceeded R50 000. In terms of the South African VAT legislation, this date cannot be a date before **1 June 2014**.

Financial Year End

- The financial year end is usually the last day of February, however it can be any month of the year for other entities. The details must be completed in the format 'MM' in the applicable block.

0	2
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Country of Registration

- It is a country where the entity is registered.

Master's Office of Trust Registration

- Complete the details of the office where the Trust is registered.

c. APPLICANT INFO

Applicant Info														
Preferred Language:	<input type="text"/>													
Not Married	<input type="checkbox"/>	Married in Community of Property	<input type="checkbox"/>	Married out of Community of Property	<input type="checkbox"/>	Are you a foreign diplomatic or consular mission?	Y <input type="checkbox"/>	N <input type="checkbox"/>	Are all of the partners in this partnership natural persons?	Y <input type="checkbox"/>	N <input type="checkbox"/>	Are you a asylum seeker with a valid permit?	Y <input type="checkbox"/>	N <input type="checkbox"/>
						Are you a Share Block?	Y <input type="checkbox"/>	N <input type="checkbox"/>	Are you a Body Corporate?	Y <input type="checkbox"/>	N <input type="checkbox"/>			

- Record the preferred language in the blocks provided
- To indicate the status of the applicant, place an “X” in the applicable block.

d. CONTACT DETAILS

Contact Details											
Home Tel No.	<input type="text"/>					Fax No.	<input type="text"/>				
Cell No.	<input type="text"/>					Bus Tel No.	<input type="text"/>				
Mark here with an X if you declare that you do not have a Cell No.	<input type="checkbox"/>					Mark here with an X if you declare that you do not have an Email address	<input type="checkbox"/>				
Email	<input type="text"/>										
Web Address	<input type="text"/>										

- The contact details container must be completed.
- Record the landline telephone number that is assigned to the physical address of the business. Where there is no landline telephone number, leave the container blank, or insert an alternate telephone number.
- Insert the cellular phone number in the cellular phone number field.
- The facsimile number need not be physically situated at the place of business and serves as an alternate means of contact. Record the facsimile number in the blocks provided.
- Record the website address of the business in the blocks provided, use UPPER CASE, lower case and signs, where necessary.

e. PHYSICAL ADDRESS DETAILS

Physical Address Details										
Unit No.	<input type="text"/>	Complex (if applicable)	<input type="text"/>							
Street No.	<input type="text"/>	Street / Farm Name	<input type="text"/>							
Suburb / District	<input type="text"/>									
City / Town	<input type="text"/>					Country Code	<input type="text"/>			
Postal Code	<input type="text"/>					Registered Physical Address	<input type="checkbox"/>			

- The particulars refer to the address of the Foreign Electronic Service Entity conducted outside SA. This means that the foreign physical business address must be completed under the relevant fields.
- Indicate on the applicable tick box by placing an “X” to confirm that the information provided is true and correct in the ‘Registered Physical Address’.

f. **POSTAL ADDRESS DETAILS**

Postal Address Details	
Complete this part if postal address is a Postal Box	
Mark here with an 'X' if same as above or complete your Postal Address	<input type="checkbox"/> Is your Postal Address a Street Address? Y <input type="checkbox"/> N <input type="checkbox"/> Mark here with an 'X' if this is a Care Of address <input type="checkbox"/>
Postal Agency or Other Sub-unit (if applicable) (e.g. Postnet Suite ID)	<input type="text"/>
PO Box <input type="checkbox"/> Private Bag <input type="checkbox"/> Other PO Special Service (specify) <input type="text"/>	Number <input type="text"/>
Post Office <input type="text"/>	Country Code <input type="text"/>
Postal Code <input type="text"/>	Registered Postal Address <input type="checkbox"/>
Complete this part if postal address is a Street Address	
Unit No. <input type="text"/>	Complex (if applicable) <input type="text"/>
Street No. <input type="text"/>	Street / Farm Name <input type="text"/>
Suburb / District <input type="text"/>	Country Code <input type="text"/>
City / Town <input type="text"/>	Registered Postal Address <input type="checkbox"/>

- Place an “X” in the first block if the postal address is same as the physical address.
- Answer the question “Is your Postal Address a Street Address” Select “Y” for yes and “N” for no.
- The “Postal Address Details” must only be completed if the Foreign Electronic Service Entity receives post/mail via a Postal Box.
- If the post is received at the physical business address, complete the relevant fields.
- Indicate on the applicable tick box by placing an “x” to confirm that the information provided is true and correct in the ‘Registered Postal Address’ field.

4.2 PARTICULARS OF REPRESENTATIVE VENDOR

- A Foreign Electronic Service Entity or a non-resident intermediary is not required to appoint a representative vendor in South Africa.
- However, in order for your registration application to be processed, complete the particulars of the person accountable/responsible for the activities under “representative vendor” on the VAT101 form.
- An intermediary, being a resident of South Africa, must appoint a natural person residing in South Africa as a representative vendor.

Particulars of Representative Taxpayer	
Capacity:	Treasurer <input type="checkbox"/> Main Partner <input type="checkbox"/> Main Trustee <input type="checkbox"/> Public Officer <input type="checkbox"/> Main Member <input type="checkbox"/> Parent / Guardian <input type="checkbox"/> Accounting officer <input type="checkbox"/> Curator / Liquidator / Executor / Administrator (Estate) <input type="checkbox"/>
Nature Of Entity:	Individual <input type="checkbox"/> Partnership / Body of persons <input type="checkbox"/> Company / CC / Shareblock <input type="checkbox"/> Public authority / Municipality <input type="checkbox"/> Association not for gain <input type="checkbox"/> Estate / Liquidation <input type="checkbox"/> Club <input type="checkbox"/> Welfare organisation <input type="checkbox"/> Trust Fund <input type="checkbox"/> Foreign electronic service entity <input type="checkbox"/>
Surname	<input type="text"/>
First Name	<input type="text"/>
Other Name	<input type="text"/>
Initials	<input type="text"/>
Date of Birth (CCYYMMDD)	<input type="text"/>
Date of Appointment (CCYYMMDD)	<input type="text"/>
ID No.	<input type="text"/>
Passport/ Permit No.	<input type="text"/>
Passport Country (e.g. South Africa = ZAF)	<input type="text"/>
Passport Issue Date (CCYYMMDD)	<input type="text"/>
Relationship Marked for Termination	<input type="checkbox"/>

4.3 PARTICULARS OF PARTNERS / MEMBERS / DIRECTORS / TRUSTEES

Particulars of Members / Trustees / Beneficiaries / Partners / Directors etc.										
Is this party a natural person? Y <input type="checkbox"/> N <input type="checkbox"/>										
Particulars - Individual										
Capacity:	Treasurer <input type="checkbox"/>	Partner <input type="checkbox"/>	Trustee <input type="checkbox"/>	Public Officer <input type="checkbox"/>	Member <input type="checkbox"/>	Parent / Guardian <input type="checkbox"/>	Accounting officer <input type="checkbox"/>	Curator / Liquidator / Executor / Administrator (Estate) <input type="checkbox"/>		
	Director <input type="checkbox"/>	Main Partner <input type="checkbox"/>	Main Trustee <input type="checkbox"/>	Main Member <input type="checkbox"/>						
Nature Of Entity:	Individual <input type="checkbox"/>	Partnership / Body of persons <input type="checkbox"/>	Company / CC / Shareblock <input type="checkbox"/>	Public authority / Municipality <input type="checkbox"/>	Association not for gain <input type="checkbox"/>	Estate / Liquidation <input type="checkbox"/>	Club <input type="checkbox"/>	Welfare organization <input type="checkbox"/>	Trust Fund <input type="checkbox"/>	Foreign electronic service entry <input type="checkbox"/>
Surname	[Grid for Surname]									
First Name	[Grid for First Name]									
Other Name	[Grid for Other Name]									
Initials	[Grid]	Date of Birth (CCYYMMDD) [Grid]	Date of Appointment (CCYYMMDD) [Grid]	ID No. [Grid]						
Passport/ Permit No.	[Grid]	Passport Country (e.g. South Africa = ZAF) [Grid]	Passport Issue Date (CCYYMMDD) [Grid]							
Relationship Marked for Termination	<input type="checkbox"/>									
Particulars - Company / Trust / Partnership and Other Entities										
Capacity:	Partner <input type="checkbox"/>									
Nature of Entity	[Grid]									
Company / CC / Trust Reg No.	[Grid]	Date of Appointment (CCYYMMDD) [Grid]	Registration Date (CCYYMMDD) [Grid]							
Registered Name	[Grid]									
	Country of Registration (e.g. South Africa = ZAF) [Grid]									

a. **Note:** This section informs SARS of the persons associated with the applicant.

b. The following individuals will represent different entities –

- **Treasurer** for a Corporate or unincorporated body;
- **Main Partner** for a Partnership
- **Main Trustee** for a Trust;
- **Public Officer** for a Company;
- **Main Member** for a Club / Association not for gain;
- **Parent / Guardian** for a Minor child;
- **Accounting Officer** for a Municipality;
- **Executor / Administrator** for a deceased estate;
- **Trustee / Administrator** for an insolvent estate; and
- **Liquidator** for a company in liquidation.

c. **Answer the question** – Is this party a natural person?

d. Nature of Entity - Individual

- Mark the relevant block with an “X”

e. Complete the following fields -

- Surname
- First name
- Initials
- Date of Birth in the format (CCYYMMDD)
- Date of Appointment in the format (CCYYMMDD)
- Identity number;
- Passport number / Permit No.
- Passport Country
- Passport Issue Date in the format (CCYYMMDD)
- Registration number of Company/CC/Trust/Fund; and
- Country of residence.

4.4 PARTICULARS OF A COMPANY / PARTNERSHIP / TRUST ETC

Particulars - Company / Trust / Partnership and Other Entities	
Capacity:	Partner <input type="checkbox"/>
Nature of Entity	
Company / CC / Trust Reg No.	
Date of Appointment (CCYYMMDD)	
Registration Date (CCYYMMDD)	
Registered Name	
Country of Registration (e.g. South Africa = ZAF)	

a. Mark the relevant block with an “X” if the partner is completing the VAT Application Form.

- Insert details of the Nature of Entity.
- Insert Company / Trust registration number and the registered name.
- Insert Date of Appointment of the partner in the format (CCYYMMDD).
- Insert Registration Date of the entity in the format (CCYYMMDD).
- Insert Country of Registration.

My Addresses

My Addresses	
Address Details (Used to add, edit and delete addresses at library level)	
Complete this part if address is a Postal Box	
Is this address a Street Address?	Y <input type="checkbox"/> N <input type="checkbox"/>
Mark here with an 'X' if this is a Care Of address	<input type="checkbox"/>
Postal Agency or Other Sub-unit (if applicable) (e.g. Postnet Suite ID)	
PO Box	Private Bag <input type="checkbox"/> Other P.O. Special Service (specify)
Post Office	Number
Postal Code	Country Code
Registered Postal Address	<input type="checkbox"/>
Complete this part if address is a Street Address	
Unit No.	Complex (if applicable)
Street No.	Street / Farm Name
Suburb / District	
City / Town	Country Code
Postal Code	Registered Postal Address <input type="checkbox"/> Registered Physical Address <input type="checkbox"/>

- The “Postal Address Details” container must be completed.
- Mark the first block with “X” if the postal address is same as the physical address.
- Answer the question “Is your Postal Address a Street Address” Select “Y” for yes and “N” for no.
- Mark the last block with “X” if it is a Care Of address.
- Indicate on the applicable tick box by placing an “X” to confirm that the information provided is true and correct in the ‘Registered Postal Address’ field.
- Indicate on the applicable tick box by placing an “X” to confirm that the information provided is true and correct in the ‘Registered Physical Address’ field.

4.5 BANKING PARTICULARS

- a. A Foreign Electronic Service Entity or a non-resident intermediary is not required to open a South African bank account.
- b. However, an intermediary being a resident of South Africa will be required to open a bank account with any bank, mutual bank or other similar institution registered under the Banks Act for the purpose of the enterprise carried on in South Africa

My Bank Accounts	
Bank Account Holder Declaration	
Use South African bank account	I use a South African Bank Account of a 3rd party
I declare that I have no South African bank account	
Reason for No Local / 3rd Party Bank Account – Individual	
Non-resident without a local bank account	Involency / Guardianship
Deceased Estate	Shared Account
Income below tax threshold / impractical	Statutory restrictions
Minor child	
Reason for No Local / 3rd Party Bank Account – Company / Trust / CC / Partnership / Government / Foreign Entity / Other Exempt Institutions etc.	
Non-resident without a local bank account	Liquidation
Company De-registration	Group Company Account
Dormant	Trust Administrator Account
Bank Account Details (Repeated at product level)	
Bank Account Status	Account No.
Branch No.	Account Type: Cheque <input type="checkbox"/> Savings <input type="checkbox"/> Transmission <input type="checkbox"/>
Branch Name	
Account Holder Name (Account name as registered at bank)	

4.6 VAT

VAT										
VAT Liability Date (CCYYMMDD)	<input type="text"/>	Business Activity Code	<input type="text"/>	Mark here if you derive farming income in addition to your main business activity income	<input type="checkbox"/>	Farming Activity Code	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Complete the following details:

- a. Liability date
 - This date ('CCYYMMDD' format) refers to the date the Foreign Electronic Service Entity becomes liable to be registered for SA VAT.
 - In terms of the SA VAT legislation, this date cannot be a date before **1 June 2014**.
- b. Business Activity code
 - Please insert code '3455' in this field.

4.7 FINANCIAL PARTICULARS

Value of Taxable Supplies										
Furnish the actual / expected total value of taxable supplies for a period of 12 months as follows:										
Standard rated supplies	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Zero-rated supplies (including goods /services exported to other countries)	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total value of taxable supplies	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Accounting basis: <input type="checkbox"/> Payment <input type="checkbox"/> Invoice										
Note: In the case of the purchase of a going concern, furnish the value of supplies made by the seller.										

- a. The financial information to be provided in this is required to determine the following details:
 - The financial status of the enterprise to determine if the value of the electronic services supplied to recipients in SA exceeds R1 million ;
 - **Accounting Basis:** Place an 'X' alongside the applicable field
 - A record of all services supplied by you, this includes for example, all tax invoices, credit and debit notes, bank statements, deposit slips etc.
 - Keep records for five years.
 - The records may be kept in electronic form. Records maintained in electronic form must be physically located in South Africa. Approval may however be granted to allow the retention of the electronic documents at a location outside South Africa, subject to certain requirements. Refer to Public Notice 787 of 1 October 2012 for more detail.

4.8 VALUE OF TAXABLE SUPPLIES

Value of Taxable Supplies										
Furnish the actual / expected total value of taxable supplies for a period of 12 months as follows:										
Standard rated supplies	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Zero-rated supplies (including goods /services exported to other countries)	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total value of taxable supplies	R	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Accounting basis: <input type="checkbox"/> Payment <input type="checkbox"/> Invoice										
Note: In the case of the purchase of a going concern, furnish the value of supplies made by the seller.										

- a. This field refers to the value of electronic services supplied to a recipient in SA. In this regard, insert the rand value of the electronic services in the 'Standard rated supplies' field. The other fields under the 'Total Value of Supplies' container is not applicable.
- b. For accounting basis, mark an "X" next to the applicable block.

4.9 TAX PERIODS

Tax Periods	
Please select one of the following:	
Monthly tax period	<input type="checkbox"/> Tax periods of 6 months (Farming – only if taxable supplies for 12 months do not exceed R1.5 million)
Tax periods of two months	<input type="checkbox"/> Tax periods of 12 months ending on financial year end

- a. A monthly tax period or a two monthly tax period is available for a Foreign Electronic Service Entity. 'Monthly tax period' is preferred, therefore place an 'X' alongside 'Monthly tax period' field

4.10 DIESEL REFUND

- a. This container is not applicable to a Foreign Electronic Service Entity and must be left blank.

VAT - Diesel Refund Concession Options	
On Land Status:	Would you like to register for diesel refunds – On land? Y <input type="checkbox"/> N <input type="checkbox"/>
Off Shore Status:	Would you like to register for diesel refunds – Off shore? Y <input type="checkbox"/> N <input type="checkbox"/>
Rail Status:	Would you like to register for diesel refunds – Rail? Y <input type="checkbox"/> N <input type="checkbox"/>

VAT - Diesel Refund	
Concession Type – On Land	
Liability Date (CCYYMMDD)	Estimated Diesel Purchases (litres per) for Current Financial Year
Major Division	Estimated Turnover for Current Financial Year
Forestry and Logging	Mining and Quarrying
Mining Sub - classification	Farming
Farming Sub - classification	
Concession Type – Offshore & Electricity Generating Plant	
Liability Date (CCYYMMDD)	Estimated Diesel Purchases (litres per) for Current Financial Year
Major Division	Estimated Turnover for Current Financial Year
Coastal Shipping	Offshore Mining
Electricity Generating Plant	NSRI
Commercial Fishing	
Concession Type – Rail & Harbour Services	
Liability Date (CCYYMMDD)	Estimated Diesel Purchases (litres per) for Current Financial Year
	Estimated Turnover for Current Financial Year

4.11 PARTICULARS OF TAX PRACTITIONER

Tax Practitioner Details	
Registration Status	Registration No.
Appointment Date (CCYYMMDD)	Controlling Body

- a. Complete the particulars with Registration Status, Registration No, Appointment date and Controlling Body. If you do not utilise the services of a Tax Practitioner, leave the blocks blank.
- b. The Tax Practitioner Details are not required for a Foreign Electronic Service Entity.

4.12 DECLARATION BY REPRESENTATIVE VENDOR

Declaration	
I declare that: I am the individual owner / partner / representative vendor and the information herein is true and correct and that all the required documents are attached. I am fully aware of my duties and responsibilities as per the Value-Added Tax Act, 1991 and Tax Administration Act, 2012. I will present myself or authorise my registered tax practitioner to present this application in person to SARS for validation of information.	<div style="border: 1px solid black; width: 100px; height: 30px; margin: 0 auto;">SIGNATURE</div> <div style="margin-top: 5px;">Date (CCYYMMDD) <input type="text"/></div>

- a. This container requires the signature of the person responsible for the VAT affairs and must be the same person as indicated in the 'Representative vendor' container.
- b. Once you have completed this VAT Application Form, you are required to read the declaration. When the applicant is satisfied that all of the information provided in the VAT Application Form is accurate and complete, the VAT Application Form must be signed and dated in addition to recording the name and capacity of the representative vendor.
- c. No Power of Attorney will be accepted for purposes of signing the VAT Application Form. It must be signed by the individual owner, partner or representative vendor.
- d. A tax practitioner may not sign the VAT Application Form on behalf of the representative vendor.

5 SUBMISSION OF THE VAT201

- a. The VAT201 must be filed and the payment must be made by the last business day of the month after the end of the Foreign Electronic Service Entity's tax period.
 - For example, if the tax period ends on 30 June 2014, the Foreign Electronic Service Entity has until 31 July 2014 to file the VAT201 and make payment.
 - Note that if the due date for payment is on a Saturday, Sunday or public holiday, the VAT201 and the payment must be submitted timeously so that it is received by SARS by no later than the last working day before that date.
 - Failure to pay the SA VAT within the prescribed period will result in penalty and interest being imposed by SARS. For ease of reference, the date by which the VAT201 must be filed and SA VAT paid to SARS is reflected on the VAT201.
- b. VAT201 will be made available for completion and submission by the Foreign Electronic Service Entity using the eFiling channel.

5.1 COMPLETION OF THE VAT201

- a. Request the VAT201 for the relevant tax period using the eFiling channel, and select the "REQUEST FORM" option
- b. Complete all the relevant information that is required for the processing of the VAT201.
- c. The form will pre-populated the following information for first submission:
 - Trading or Other Name
 - VAT Registration Number
 - Tax period for which the declaration is to be made
 - Payment Reference Number (PRN)

5.2 VENDOR DETAILS

Vendor Details	
Trading or Other Name	<input type="text"/>
VAT Reg No.	<input type="text"/>
Customs Code	<input type="text"/>
Tax Period (CCYYMM)	<input type="text"/>

- a. **Note:** All these fields are pre-populated. If the details are not pre-populated, please complete.

Trading or Other Name

- The trading name is the name under which the Foreign Electronic Service Entity trades. If the trading name or other name has changed, you are required to inform SARS in writing.

VAT Registration Number

- The VAT registration number is the 10 digit number allocated by SARS

Customs Code

- This field is not applicable to a Foreign Electronic Service Entity.

Tax Period (CCYYMM)

- This period is the period for which the VAT201 must be submitted depending on the filing and payment category allocated to the Foreign Electronic Service Entity.

5.5 CALCULATION OF OUTPUT TAX AND IMPORTED SERVICES

A. Calculation of Output Tax and Imported Services		ACALC01
Supply of Goods and/or Services By You		
Standard rate (excluding capital goods and/or services and accommodation)	1 R	<input type="text"/>
		X $\frac{r}{100+r}$ 4 R <input type="text"/>
Standard rate (excluding capital goods and/or services and accommodation)	1A R	<input type="text"/>
		X $\frac{r}{100+r}$ 4A R <input type="text"/>
Zero rate (excluding exported goods)	2 R	<input type="text"/>
Zero rate (only exported goods)	2A R	<input type="text"/>
Exempt and non-supplies	3 R	<input type="text"/>
Supply of accommodation:		
Exceeding 28 days	5 R	<input type="text"/>
		X <input type="text"/> % 6 R <input type="text"/>
Value Not exceeding 28 days	7 R	<input type="text"/>
Total: (6 + 7)	8 R	<input type="text"/>
		X $\frac{r}{100+r}$ 9 R <input type="text"/>
Adjustments:		
Change in use and export of second-hand goods	10 R	<input type="text"/>
		X $\frac{r}{100+r}$ 11 R <input type="text"/>
Other and imported services	12 R	<input type="text"/>
Total A: TOTAL OUTPUT TAX (4+4A+9+11+12)	13 R	<input type="text"/>

a. Complete fields 1, 4 and 13 only.

- Field 1 must be completed by inserting the Rand value of electronic services supplied to a recipient in SA. This amount will be inclusive of SA VAT charged at the standard rate of 15%.
- Field 4 refers to the SA VAT amount and must be completed by applying the tax fraction, i.e. 15/115 on the amount declared in field 1.
- Field 13 is the sum total of fields 4, 4A, 9, 11 and 12. Since the Foreign Electronic Service Entity is required to complete field 4, the amount under field 13 will be the same amount disclosed under field 4.

5.6 CALCULATION OF INPUT TAX

B. Calculation of Input Tax		EMPD1
Capital goods and / or services supplied to you	14 R	<input type="text"/>
Capital goods imported by you	14A R	<input type="text"/>
Other goods and / or services supplied to you (not capital goods)	15 R	<input type="text"/>
Other goods imported by you (not capital goods)	15A R	<input type="text"/>
Adjustments:		
Change in use	16 R	<input type="text"/>
Bad debts	17 R	<input type="text"/>
Other	18 R	<input type="text"/>
Total B: TOTAL INPUT TAX (14+14A+15+15A+16+17+18)	19 R	<input type="text"/>
VAT PAYABLE / REFUNDABLE (Total A - Total B)	20 R	<input type="text"/>
Payment Details (Only to be completed if payment is due to SARS)		
Debit Order Authorisation <input type="checkbox"/>		
Payment Reference No.	<input type="text"/>	Payment Period (CCYMM) <input type="text"/>
Penalty and Interest	R <input type="text"/>	Total R <input type="text"/>
Penalty of 10% is payable on late payments. Interest must be calculated on a monthly basis at the applicable prescribed rate. To view the table of rates, go to www.sars.gov.za		
Refund Details (Only to be completed if refund is claimed)		
Payment Reference No.	<input type="text"/>	Payment Period (CCYMM) <input type="text"/>
		Total R <input type="text"/>

a. Complete the relevant fields under this container if the Foreign Electronic Service Entity was charged SA VAT at the standard rate of 15% on the acquisition of goods or services for purposes of making electronic services supplies to recipients in SA.

- Complete fields 14 to 18, whichever is applicable, by inserting the amount of the SA VAT charged to the Foreign Electronic Service Entity.
- Field 19 is the sum total of fields 14 to 18.

b. Field 20 is the difference between fields 13 and 19 and is therefore the net amount of SA VAT that must be paid to SARS in accordance with the filing and payment method described below.

Payment Details: This field is not applicable

Refund Details: This field is not applicable

6 THE PAYMENT METHOD

- a. Use the SWIFT MT103 payment method. The turnaround time when using this payment method is dependent on the initiating bank payment service.
- b. **Example** of a completed **SWIFT 103 message format**:

Taxpayer Name : XYZ Services (situated in the USA)
 VAT Tax Reference Number : 4999999999
 Period Payable : July 2014
 Amount Payable : R 50,374-61
 Effective Payment Date : 20 August 2014
 19 digit payment reference : 4999999999V00072014 (provided by SARS)

- c. Use the following tax reference number and banking details to apply the SARS payment rules:

19 digit payment reference : 4999999999V00072014
 SARS Bank Account / ID : SARS-FOR-999
 Financial Institution : First National Bank Ltd, SWIFT Address: **FIRNZAJJ**

- d. These fields would appear in the SWIFT 103 message as follows:

Message Type 103 fields	Field Descriptions
:20:BAFZMO93001 7737	Issuing (foreign) bank's reference
:23B:CRED	Bank Operation Code
:32A:070820USD50374,61	Value Date, Currency and Settled Amount
:33B:USD50374,61	Currency and Instructed Amount
:50K:/091 969801	Payer Account
XYZ Services	Payer Name
P0 Box 1234	Payer address
UNITED STATES OF AMERICA	Payer address
:53A:/05002371 3	Sender's Correspondent
:57A:FIRNZAJJ	Beneficiary' banking institution
:59:/SARS-FOR-999	Beneficiary Account Number
SOUTH AFRICAN REVENUE SERVICE	Beneficiary Name
299 BRONKHORST STREET	Beneficiary Address
SOUTH AFRICA	Beneficiary Address
:70:4999999999V00072014	Remittance Information
: 71A:0 U R	Details of Charges
:72:/ACC/FNB CORPORATE	Sender to receiver info - e.g. Branch Details
//RSA	Sender's Reference

- e. **Note** that the above is only an **example**. When making a payment it is imperative that the correct unique PRN is quoted to ensure the payment is easily identified and correctly allocated. Do not use the PRN provided in the example.
- f. SARS' foreign payments are administered solely by FNB. Any queries regarding the completion of the SWIFT 103 message should be directed to First National Bank (FNB) call centre **08601 FOREX (08601 36739)**.

7 CANCELLATION OF VAT REGISTRATION

- a. Foreign Electronic Service Entities may apply to cancel their VAT registration, where the total value of electronic services supplied to South African recipients did not exceed the R1 million threshold within a 12 month period.
- b. The request to cancel a VAT registration together with the information listed below must be emailed to: eCommerceRegistration@sars.gov.za
- c. In instances where the entity has not exceeded the R1 million threshold within a 12 month period, the request to cancel a VAT registration must consist of the following information:
- Legal name of the entity.
 - VAT registration number of the entity.

- The date at which the cancellation of registration is to be effected.
 - A declaration that the cancellation of registration request is a result of the value of taxable supplies (value of electronic services supplied to recipients in South Africa) not exceeding the R1 million threshold in a period of 12 months.
 - Financial records of the Foreign Electronic Service Entity, certified by an accountant or auditor, confirming that the value of taxable supplies (value of electronic services supplied to recipients in South Africa) made in a 12 month period has not exceeded the R1 million threshold.
- d. Kindly note that the cancellation a VAT registration will not be effected where there are outstanding VAT return(s) and/or VAT payment(s).
- e. A Foreign Electronic Service Entity must continue charging VAT on its supplies, filing VAT returns and making payments of VAT to SARS, even if it has submitted a request to have its registration cancelled. SARS will communicate to the Foreign Electronic Service Entity as to its last tax period for which a VAT return must be filed and the VAT that was charged on its supplies in respect of that tax period must be paid.

8 REFERENCES

8.1 LEGISLATION

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Value-Added Tax Act, No.89 of 1991 Tax Administration Act, No. 28 of 2011
Other Legislation:	None
International Instruments:	None

9 DEFINITIONS AND ACRONYMS

Commissioner	The Commissioner for the South African Revenue Service
eFiling	It is a free, simple and secure way of interacting with SARS from the comfort and convenience of your home or office. eFilers can also receive SMS and email notifications to remind them when submissions are due
Foreign Electronic Service Entity	The foreign supplier of electronic services to a recipient in South Africa.
Electronic services	Services prescribed by the Minister by Regulations in the Government Gazette No. 37489 and updated by Government Gazette No. 42316
Enterprise Paragraph (b)(vi)	The supply of electronic services by a person from a place in an export country, where at least two of the following circumstances are present - <ul style="list-style-type: none"> ▫ The recipient of those electronic services is a resident of SA, or ▫ Any payment to that person in respect of such electronic services originates from a bank registered or authorised in terms of the Banks Act, 1990 (Act No. 94 of 1990), or ▫ The recipient of those electronic services has a business, residential or postal address in SA.
Enterprise Paragraph (b)(vii)	The activities of an intermediary
Intermediary	Means a person who facilitates the supply of electronic services supplied by the electronic services supplier and who is responsible for issuing the invoices and collecting payment for the supply.
PRN	Payment Reference Number
SARS	South African Revenue Service
South Africa	The Republic of South Africa
SWIFT Message	SWIFT stands for Society for Worldwide Inter-bank Financial Telecommunication. SWIFT is an electronic communication method used by banks all over the world to correspond with each other in a secure and standardised way
TA Act	Tax Administration Act, 2011 (No. 28 of 2011)
Tax Period	Tax periods available to the Foreign Electronic Service Entity in respect of the submission of the VAT201 returns are: <ul style="list-style-type: none"> ▫ Category A – The periods of two months ending on last day of January, March, May, July, September and November of calendar year. ▫ Category B – The periods of two months ending on the last day of February, April, June, August, October and December of the calendar year. ▫ Category C – The last day of each of the twelve months of the calendar year
VAT Act	This is South African legislation referred to as the Value-Added Tax Act, 1991 (No. 89 of 1991)
Vendor	A person who is or is required to be registered under the VAT Act.

DISCLAIMER

The information contained in this guide is intended as guidance only and is not considered to be a legal reference, nor is it a binding ruling. The information does not take the place of legislation and readers who are in doubt regarding any aspect of the information displayed in the guide should refer to the relevant legislation, or seek a formal opinion from a suitably qualified individual.

For more information about the contents of this publication you may:

- Visit the SARS website at www.sars.gov.za
- Visit your nearest SARS branch
- Contact your own tax advisor/tax practitioner
- If calling from within South Africa, contact the SARS Contact Centre on 0800 00 SARS (7277)
- If calling from outside South Africa, contact the SARS Contact Centre on +27 11 602 2093 (only between 8am and 4pm South African time).