

WHITE PAPER ON TRANSFER PRICING DOCUMENTATION - Public Consultation

To whom it may concern,

As a general comment please note that South Africa has re-engineered its Income tax return, and that there are a host of additional International questions asked in the new ITR14 return. (Take note, no longer termed IT14 but ITR14)

The following link will provide the guide to the completion of this return, please revise your link to the guide on page 40 of the White paper. <http://www.sars.gov.za/AllDocs/OpsDocs/Guides/IT-GEN-04-G01%20-%20Comprehensive%20guide%20to%20the%20ITR14%20return%20for%20companies%20-%20External%20Guide.pdf>

The various matrixes which are used to set out the information and documentation required is currently correct when evaluated against the Practice note 7 (issued 1999) currently still in use. But please make a note that as result of some material amendments to South African Transfer pricing legislation in 2012 and 2013, SARS is currently working on a new Interpretation note (Specifically in relation to documentation), which has not yet been released (although the new draft Interpretation note in relation to Thin Capitalisation has been released)

In light of the wider statutory powers that SARS now has to prescribe certain documents, returns and information that must be maintained (powers which they assimilated with the new Tax Administration Act no. 28 of 2011, only promulgated late 2012) it would be unwise to speculate how the South African matrix will change once the new Interpretation note is issued – although SARS has always maintained that they respect and adhere to the OECD guidelines in this regard.

Regards / Groete

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