

CASH & TAX BRIEF

Q3 2025 · QUARTERLY · JULY TO SEPTEMBER 2025

The August draft tax law: VAT modernisation and SARS premises inspections

16 Aug 2025 draft tax administration bill published

22 Sep to 31 Oct interim payroll reconciliation window

10.75% SARS interest from 1 September

The August draft tax law: VAT modernisation and SARS premises inspections

A draft tax administration bill, the 2025 filing season, the interim payroll reconciliation, CIPC beneficial ownership, and lower SARS interest.

Back issue, compiled on 14 October 2026 from public sources, covering announcements dated July to September 2025. Where later events changed the position, the item says so.

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Lead story

Tax admin bill of August 2025: VAT modernisation, premises inspections, penalty clarification (law since April 2026)

Law South Africa · Penalties & collections · Dated 16 Aug 2025

What changed. On 16 August 2025 National Treasury and SARS published the draft Tax Administration Laws Amendment Bill, with comments due 12 September 2025. It proposed enabling the VAT Modernisation Project, inspecting the business premises of a taxpayer applying for registration or approval, clarifying 'bona fide inadvertent error' for understatement penalties by linking it explicitly with 'substantial understatement', and a customs and excise voluntary disclosure programme. The Tax Administration Laws Amendment Act, 2026 (Act 4 of 2026) was published in Government Gazette 54447 on 1 April 2026. It adds e-invoicing and e-reporting definitions with regulation-making powers, lets a SARS official inspect without prior notice whether an applicant's address exists and suits the activities applied for, and adds a customs voluntary disclosure chapter. Some provisions start on a date the Minister sets by notice.

What it means for you. SARS may inspect the premises of businesses applying for registration, without prior notice, once the provision is in force. The understatement-penalty change links the 'bona fide inadvertent error' defence to 'substantial understatement'. Commencement of some provisions depends on ministerial notice.

What we'd do. Keep VAT registration papers and premises records ready, and check the commencement notices before changing processes.

Sources: [National Treasury \(media statement, 16 August 2025\)](#) · [SARS \(16 August 2025\)](#) · [SARS \(Amendment Acts listing\)](#)

Tax and SARS

Filing season live: auto-assessments, trusts from 20 Sep, eFiling needs 2FA

In force South Africa · Income tax · Dated 7 Jul 2025

What changed. SARS issued auto-assessments from 7 to 20 July 2025. SARS's July digest says auto-assessed taxpayers' tax is due 30 days after the filing season closes on 20 October 2025. eFiling now requires two-factor authentication, and SARS's September digest says users can update eFiling security contact details online using facial biometric verification. The trust filing season runs from 20 September 2025 to 19 January 2026.

What it means for you. Per SARS's July digest, tax due on an auto-assessment is payable 30 days after 20 October 2025. SARS's September digest warns that late submissions can lead to administrative penalties, interest charges and additional procedural steps. Non-provisional individuals with vested trust income file by 20 October 2025.

What we'd do. Check your auto-assessment before 20 October, make sure your eFiling security contact details are current, and have trust records ready before the 19 January 2026 deadline.

Sources: [SARS \(Monthly Tax Digest, July 2025\)](#) · [SARS \(Monthly Tax Digest, September 2025\)](#)

SARS interest on overdue tax eased to 10.75% from 1 September 2025

In force South Africa · Penalties & collections · Dated 1 Sep 2025

What changed. SARS's interest rate table shows the rate on outstanding taxes, duties and levies falling from 11.00% (1 May to 31 August 2025) to 10.75% from 1 September 2025, and to 10.50% from 1 November 2025.

What it means for you. Interest on any overdue SARS balance accrues at 10.75% from 1 September 2025, down from 11.00%. Debt still grows, only more slowly.

What we'd do. Clear or arrange payment on overdue SARS balances; the lower rate does not remove the interest cost.

Sources: [SARS \(Table 1\)](#)

Payroll and employers

EMP501 interim reconciliation 22 Sep to 31 Oct: new software, tax numbers a must

In force South Africa · Payroll · Dated 15 Sep 2025 · Effective 22 Sep 2025

What changed. SARS opened the employer interim reconciliation (1 March to 31 August 2025) from 22 September to 31 October 2025. e@syFile Thin Client is now the primary submission channel, the Flex version is being phased out and can no longer be used for submissions, and from the February 2026 employer filing season income tax numbers will be strictly enforced in e@syFile, so reconciliations cannot be submitted without valid income tax numbers for all employees. A late EMP501 attracts an administrative penalty of 1% of annual PAYE liability, increasing by 1% for every month it is outstanding, to a maximum of 10%.

What it means for you. The EMP501 must reflect the PAYE, UIF and SDL values from your submitted EMP201s, which prepopulate it. Missing employee tax numbers will lead to rejection of reconciliations or penalties, and lateness is penalised.

What we'd do. Reconcile EMP201 payments to payroll, fix missing employee tax numbers now and submit before 31 October.

Sources: [SARS \(15 September 2025\)](#)

Company filings (CIPC)

CIPC final BO reminder: no beneficial ownership filing, no annual return

Announced South Africa · CIPC · Dated 14 Jul 2025

What changed. CIPC's 'Final reminder' on beneficial ownership (BO) filing says its Corporate Compliance, Disclosure and Regulation Unit issued another reminder on 14 July 2025 and that all outstanding BO filings must be completed within 7 business days of the reminder issued on 14 July 2025 (CIPC's document is headed 21 July 2025). Newly registered entities must file their first BO filing within 10 business days. Entities registered in 2023 or earlier that have not filed must file for 2023 and 2024 and file for 2025 in line with their 2025 anniversary date. CIPC says that if filings are not made you will not be able to file annual returns, a compliance notice will be issued, the matter may be referred to the NPA, a court-sanctioned administrative fine may apply, and continued non-compliance could ultimately lead to deregistration.

What it means for you. Without a current BO filing the company cannot file its annual return, and continued non-compliance could ultimately lead to deregistration.

What we'd do. File or update the BO declaration on CIPC before the annual return and keep certified ID copies current.

Sources: [CIPC \(Final reminder: Beneficial Ownership filing\)](#)

CIPC reinstatements now fully online at R200; voluntary deregistration letters by email

In force South Africa · CIPC · Dated 11 Aug 2025

What changed. From 11 August 2025 CIPC reinstatement applications for companies and close corporations are fully automated online; the application fee is R200 (card payment), court orders are processed free of charge, and after reinstatement outstanding annual returns, BO declarations and AFS/FAS must be filed within 30 business days or the entity is deregistered again. CIPC Notice 41 of 2025, effective from 11 August 2025, says the voluntary deregistration investigation notice (CoR40.4D) and final deregistration letter are issued exclusively by email.

What it means for you. Reinstating a deregistered company is now an online R200 process, with a 30-business-day catch-up clock for annual returns, BO and AFS/FAS.

What we'd do. Monitor the registered email address CIPC holds for notices, and do the catch-up filing straight after any reinstatement.

Sources: [CIPC \(Media Release, Pretoria, 11 August 2025\)](#) · [CIPC \(Notice 41 of 2025\)](#)

Would you rather someone else handled it?

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