

## 2023 Filing Season

### Tax Tips for Companies ITR14 Tax Return Share Register

**Number of shareholders to be disclosed:** Clarity was sought regarding the number of shareholders whose details must be disclosed – given that there were discrepancies in the SARS ITR14 Guide and the ITR14 itself.

**Specifically:**

1. Where a company has more than 100 shareholders, the Guide and ITR14 indicates that one must only complete shareholdings of at least 5%. The Guide also provides that, when considered on a per Class basis, only 20 shareholders should be reflected. If there are more than 20 shareholders in that class, only those owning at least 5% should be disclosed. The 100 vs 20 shareholders was creating confusion. In fact, it appears that the 100 is not relevant. SARS was requested to clarify which is correct.
2. Clarity was also sought as to whether SARS really expected a listed company to provide shareholder details.

**SARS Response:**

3. SARS acknowledged that there may be some confusion, but indicated that the intention is to require completion of at least 20 shareholders (if > 20) with the biggest holdings, regardless of whether they hold 5% or more. No exception is made for listed companies.
4. These new requirements are driven by the Financial Action Task Force report/greylisting. Further communication is expected.

**Clarity was sought regarding what information should be disclosed in this section for Non-profit companies and Co—operatives – i.e. entities that do not have shareholders**

1. SARS was asked to provide guidance as to what is needed to be disclosed in the tax return of those entities that do not have shareholders, but are required to complete the shareholder section in the ITR14 return. The below guidance was provided, but we understand that it may not be relevant in some instances.

## SARS Response:

2. The new share register on the ITR14 does not require one to list all the members of the relevant entities. It is only those with 5% or more beneficial interest in the company that need to be disclosed. Even if membership in a co-operative, for example, were to be equated with shares in a company, if no member holds more than 5% no reporting would be required.
3. However, there is an error in the ITR14 return (which is on a list of fixes which SARS has identified for a future rollout) since at least one entry is required.
4. In the interim, and despite there being no holder with more than 5% of the shares, one may insert a “1” in the relevant field, and then complete the demographic and other details of (any) one of the holders of shares/members (perhaps a managing member / director).

## Foreign company disclosure

1. Members have noted that the ITR14 share register container does not allow one to select ‘Foreign Company’ as an option after selecting ‘Company’ in the ‘Details of holders of shares’ dropdown list.
2. When completing the share register, one should instead select ‘Other’.
3. Thereafter, select ‘Foreign Company’ in the ‘Nature of Business’ dropdown list

**Details of Holders of shares #1**

Nature of Person / Entity \*  
 Other

**Details of Other Entity**

Nature of Business \*  
 Foreign Company

Registered Name \*  
 Registered Name is a mandatory field.

Trading Name

Country of Registration (e.g. South Africa = ZA...  
 Country of Registration is a mandatory field.

Registration No.

Financial Year End (CCYYMMDD) \*  
 CCYY / MM / DD  
 Financial Year End (CCYYMMDD) is a mand...

Tax Reference No.

Number of Shares owned \*  
 Number of Shares owned is a mandatory field.