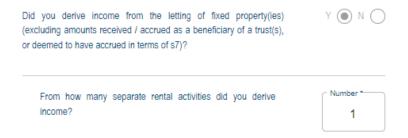


## 2023 ITR12 – Rental Income Challenge

It has been noted that on prepopulation of the return for individual taxpayers, the question in the Wizard 'Did you derive income from the letting of fixed property/ies...' is automatically marked 'Y', where the taxpayer received rental income in prior years. It is not possible to amend this.



Where circumstances have changed – for example, the property has been sold or the taxpayer is no longer using it for trading purposes, this needs to be indicated in the section dealing with Local Rental Income: 'Mark with an "X" if this property is not used for trading purposes anymore (e.g. the property was sold)'. This will not alter the response in the Wizard, but will remove the rental income fields in the form.

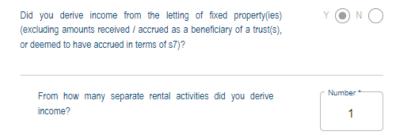






We would also like to bring to member's attention the change in the 2023 ITR12 compared to the prior year – with respect to the Rental Income disclosure.

The new form asks: 'From how many separate rental activities did you derive income'?



Per the SARS Comprehensive Guide to the ITR12 Income Tax Return for Individuals:

- The section for 'Local Rental Income from the letting of Fixed Property' will be added to the return and will be repeated according to the number of rental activities inserted in the above field, with the ability to declare a maximum of 20 rental activities.
- Amounts received/vested in the taxpayer as a beneficiary of a trust or deemed to have accrued must be excluded and declared separately in the Trust section of the return.
- The following question will display for the 2016 year of assessment and prior years:
  - o 'Did you derive income from the letting of fixed property?'
  - o Include amounts received, accrued or deemed to have accrued as a beneficiary of a trust.

It is not yet clear what the reason is for separating the rental income between different properties, but this is something SAICA will clarify and we will provide feedback at a later stage.

Ref: #774721