

Unclaimed Benefits and Unapproved Funds

On 20 November 2020, SARS issued the below correspondence relating to unclaimed benefits and unapproved funds.

UNCLAIMED BENEFITS

Currently the tax directive process allows for a tax directive to be issued where there is insufficient / incomplete taxpayer information on the tax directive application particularly for the directive code 3923 (transfer unclaimed benefit). These tax directives are issued with directive reason 48 (Transfer Unclaimed Benefits) or 54 (Transfer Inactive Member with Insufficient Information).

Prior to the software expansion, if a taxpayer submitted an ITR12 return and captured the information on the certificate, or a certificate was pre-populated with source code 3923, or if a directive exists with one of the abovementioned reasons and it was not declared on the return, the submitted return was rejected with reason “IRP5 directive number invalid”.

After the expansion that was implemented on 19 November 2020, these returns will now be processed.

UNAPPROVED FUNDS

A software update was also implemented in the return process where directives were created with directive reason “Other” (Unapproved Funds). Source code 3907 must be used on these certificates / returns.

This fix was implemented for all directive form types where 'Other' is used for Unapproved Funds.
These returns will now be processed.

24 November 2020