

February
2017

Basic foodstuffs zero-rated

(goods or services
that are zero rated)
in
South Africa

ZERO-RATED

- * Brown Bread
- * Maize Meal
- * Samp
- * Mealie rice
- * Dried mealies
- * Dried beans
- * Lentils
- * Milk Powder
- * Dairy powder blend
- * Rice
- * vegetables
- * Fruit
- * Vegetable oil
- * Milk
- * Cultured Milks
- * Eggs
- * Brown Wheaten
Meal
- * Pilchards /
Sardinella in tins
- * Edible legumes and
pulses of leguminous
plants



In this issue

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- Zero-rated exempt supplies
- TAX (VAT) invoice check-list
- PANHospitality TAX types

VAT ... all you need to know

IMPORTANT - Check-list from SARS for TAX(VAT) invoices from suppliers

Full TAX invoice (supply incl exceeds R5000)

- Contains the words Tax Invoice, Vat invoice or Invoice
- Name, address and VAT reg number of supplier
- Name, address and where the recipient is a vendor, the recipient's VAT registration
- Serial number and date of issue of invoice
- Accurate descriptions of goods / services (indicating when goods are second hand)
- Quantity or volume of goods or services
- Value of the supply, amount of TAX charged

Abridged TAX invoice

(supply incl is between R50 and R5000)

- Contains the words Tax Invoice, Vat Invoice or Invoice
- Name, address and Vat reg number of invoice
- Accurate description of goods / services
- Value of supply, the amount of tax charged

All above criteria must be met for the invoice to meet the requirements of a Tax Invoice!!

Zero rated goods / services:

- * Exports
- * 19 basic food items
- * Illuminating Paraffin
- * Petrol / Diesel (subject to fuel levy)
- * International transport services
- * Farming inputs
- * Sales of going concerns
- * Certain Government grants

Goods / services exempted from VAT:

- * Non-fee related financial services
- * Approved educational services
- * Residential rental accommodation
- * Public road and rail transport

PANHospitality TAX types - are you using the correct type?

- 0 Zero rated
- 1 Output sales (all sales subject to VAT excluding accommodation)
- 2 Input - Expenses (all expenses that include VAT)
- 3 Output - Capital (sale of fixed assets)
- 4 Input - Capital (purchase of fixed assets)
- 5 Exempt Supplies
- 6 Output - Other (not for use in South Africa)
- 7 Output - Accommodation (all accommodation sales)
- 8 Non registered - suppliers who are not registered for VAT
- 9 Tourist TAX - not for use in South Africa
- 98 VAT payments - for the processing of the VAT payments or receipts from SARS
- 99 Non VAT entry

