



# E M LUIZ

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## EXTENSION FOR THE SUBMISSION OF INCOME TAX RETURNS

With the advent of e-filing Revenue has adopted a very aggressive attitude towards extension of time to submit the 2007 annual income tax returns. Currently the following extension deadlines are afforded  
Individuals

- ❖ – 30 January 2008.

Dependant on registration for E-filing

Companies/Close corporations/Trusts –

- ❖ – 12 months from year end

Accordingly, those who have not already done so, kindly forward their tax information to us to enable us to attend to the completion of your 2007 tax return.

As previously advised once again should the need arise to raise a 20% levy on our fees if we do not receive your tax information 60 days before the extension date. The levy is to compensate staff for working overtime should the need arise.

## PROVISIONAL TAXES

For individual tax payers please do not forget provisional taxes are due at the end of February, we will be informing you of the details closer to the deadline.

## REQUIRED TAXATION INFORMATION

Should you not have already provided us with the information detailed below, we require, where applicable:-

- Details of all income received e.g. salary (IRP5), pension (IRP5), annuities (IRP5/IT3), bonus (IT3), interest, dividends, lump sum payments (IRP5) and share option gains.
- Details of all foreign income, and tax paid thereon.
- Details of assets acquired or disposed of for Capital Gains Tax purposes.
- Property rental income received and detail of related expenditure incurred.
- Original retirement annuity contribution certificates.
- Medical expenditure – contribution certificates, surcharges and any amount not covered by medical aid. Please note that if you are over the age of 65, your total medical costs are allowed.
- Donations – you may donate assets/cash (excluding loan account) up to R 50 000 during the year free of donations' tax. Details must be furnished if the donation exceeds R 5 000. This has increased to R100 000 for 2008, but please remember it must actually have been paid. Kindly provide us with S18 (A) tax certificates for donations made to approved institutions as no deduction will be allowed without these certificates.
- Travelling expenses
- If you are in receipt of a car allowance we need your odometer reading as at 28 February 2007 together with a copy of a logbook (if available), showing business and private kilometres travelled for each vehicle used during the tax year. Should you have sold or acquired a vehicle during the tax year we would need the relevant details.
- Please note that the South African Revenue Services have deemed private kilometres to be 18 000 per tax year unless proved otherwise. If you travel less than 18 000 kilometres in a tax year it is highly recommended that you keep a logbook of your business kilometres. If no logbook is available no expense can be claimed against the allowance in these circumstances.
- Statement of private assets and liabilities.

*Our office will be closing at 1.00pm on Friday 21<sup>st</sup> December and re-opening on Monday 7<sup>th</sup> January 2008.*

Please do not forget to get all taxes due that you require us to pay in before closure.

If has been a pleasure working with you over the last year and we trust that our association will continue to be rewarding and mutually beneficial. Every success over the coming year!!

Regards,  
*Liz*

## **IMPORTANT FRAUD ALERT**

Once again we wish to highlight some important facts.

### **Cheque fraud**

On average, a cheque is handled by up to 20 people from the time you make it out to the time your bank pays it. This means that there are numerous opportunities for the cheque to be intercepted. Most commonly this happens when cheques are posted.

Another common way in which customers are defrauded is in accepting a cheque or bank deposit when selling goods. Often the cheque or the deposit turns out to be fraudulent and the seller is out of pocket. **Sellers are advised never to release goods until they are certain that the payment is valid.**

**Always wait for the funds to be cleared before releasing goods, even if it seems to be a bank issued cheque.** While the cheque may appear to be genuine, fraudsters have even gone so far as to print their own cheques. The cheque could also be stolen. Even if the cheque is genuine, there are certain circumstances when bank issued cheques will not be honoured.

Never accept a faxed bank deposit slip as proof of payment. Amounts and details can easily be changed to reflect a higher value or that it is a cash deposit. Check with your bank first that the correct amount has been deposited and whether the deposit is cash or cheque. If it is a cheque deposit, wait until the cheque has been paid (usually this will take seven days) before you release goods.

### **SARS**

If you receive a letter from SARS stating that they had overpaid your VAT refund due to an error on their tapes for that day:

**DO NOT phone the number on the letter. Contact SARS on 033 355 4500 Pietermaritzburg or your local SARS office.**

If you contact "SARS" on the number listed on the letter you will most likely be requested to pay the difference between your "correct" refund and the overpayment back to SARS into the banking details that appear on the letter you received. If you check your bank account it will indicate that "SARS" has paid a cheque into your bank for the refund amount listed in the letter.

Once you have paid over the "overpayment" to the fraudulent bank account the cheque deposited by "SARS" is recalled and the name of the depositor is no longer reflected as "SARS".

This is obviously an elaborate scheme and the fraudster's appear to have inside help as everything looks authentic. Do not be fooled, this is not a hoax.

*Wishing you and your family a joyous and safe festive season, whether travelling on foot, by bicycle, car, train or plane.*

### **Payment confirmation fraud**

When you receive a printed, faxed or emailed proof of payment you are advised to **check that the funds are actually in your account, or in the case of a cheque that the funds are cleared.** Fraudsters can relatively easily manipulate these documents and defraud you.

How this scam works .:

- The fraudster will advise the client that a cash/electronic deposit will be made into the client's account and fax or email a copy of the deposit slip or proof of payment to the client.
- The fraudster then deposits a fraudulent cheque or does an electronic payment into the client's account and alters the deposit slip or proof of payment confirmation.
- The altered deposit slip or proof of payment is then faxed/emailed to the client.
- **In some cases, the fraudster will tell the client that an overpayment was made and request a reimbursement.**
- **Don't trust a PDF payment proof unless verified by the bank.**