

# Single registration: will it reorganise the disorganised?

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The South African Revenue Service (“SARS”) introduced a new streamlined process primarily geared towards the single registration of a taxpayer across applicable tax types. This system was implemented on 12 May 2014.

Prior to this system, processes at SARS required that a taxpayer be registered at a SARS branch on several interfaces relating to each tax type. This meant that a taxpayer could have more than ten different interactions with SARS and remain unable to gain a consolidated single view of their tax affairs.

In response to this, SARS devised an interface whereby new taxpayers will only be required to submit one tax registration application at a SARS branch. Thereafter, the different tax types and customs may be accessed and registered via eFiling, as their registration details will already be in the SARS system. Existing taxpayers will only be affected in instances where additional tax types have to be included in their profiles.

In addition to the centralised application system, other benefits from the new interface include: real-time processing of applications resulting in the immediate generation of an Income Tax (“IT”), and a Pay-As-You-Earn (“PAYE”), or Value-Added Tax (“VAT”) reference number while you wait. This will be the case whether you opt to make an application at a SARS branch or via eFiling. However, in the case of a VAT application, an additional stage may be required for purposes of reviewing the application should the SARS risk engine flag it.

Unfortunately, the introduction of the system has not gone without the need for troubleshooting. Since the date of implementation, clients (particularly tax practitioners) have endured significant delays and difficulties in their interactions with SARS. These difficulties have included complications when attempting to verify representative persons, such as Public Officers, as well as complications when tax practitioners attempted to identify themselves as valid practitioners. In addition to this, the streamlining of over 300 interfaces into one and the merging of multi-records into single records has proved to be a far lengthier process than anticipated.

In light of the above difficulties, SARS has made efforts to reassure accredited bodies that the system is a work in progress, and that all glitches are being treated as a learning curve. On the other hand, several practitioners have voiced their frustration as to the lack of a gradual implementation of the new system during which glitches could be addressed whilst still affording SARS personnel the ability to attend to clients on the old system, thus avoiding severe delays that have already been experienced.

On a positive note, the teething problems pale in comparison to the possible long-term benefits that may accrue to the taxpayer (individual or entity, large or small), from a proper functioning of the single registration system. It is paramount that all tiers of personnel at SARS are prepared for the changes that will be ushered in with the new system. SARS needs to ensure that all applicable individuals that utilise the new system in the different branches (irrespective of size or location) are adequately trained and can respond to queries in a timely manner in order to ensure consistency of treatment and to minimise the red tape for small businesses. SARS has already conceded that they were unprepared for the reaction to the system in some of their branches in the bigger cities; one could only imagine the system pressures in

branches like Mthatha or Klerksdorp.

The question to be asked is: how long will it take for the SARS to be ready? Weeks? Months? Or maybe even years? This is not to understate the value that is the new system and the advantages it brings forth; but rather to show that administration (or the lack thereof) in certain parts of SARS has been a thorn in the side of many taxpayers and tax practitioners, so much so, that the introduction of such a system has been long overdue.

In conclusion, one can only say that we are waiting in anticipation for the successful – and timeous – implementation of the new interface. In turn, this is not to say that the new system has been doomed from the start; but it is rather a stumble in the right direction.