

National Treasury defers the implementation of the electronic Tax Compliance Status system

The National Treasury has effectively deferred the implementation of the Electronic Tax Compliance Status System to a later date.

On the 15th of July 2014, the National Treasury issued an instruction on tax compliance measures for persons doing business with the state, wherein institutions would no longer be required to obtain a hardcopy of an original and valid tax clearance certificate, as they would check the tax compliance status of bidders through an electronic Tax compliance Status System (TCS).

A subsequent clarification letter has been issued dated 31 October 2014 to all Accounting Officers of Departments, Constitutional Institutions, Accounting Authorities of schedule 2 and 3 Public Entities and Heads of Provincial Treasuries to halt the instruction with immediate effect as both the National Treasury and the South African Revenue Services (SARS) were still evaluating the implications of the instruction.