

EXTERNAL POLICY

CHANGE OF BANKING DETAILS

FOR INDIVIDUALS

1 SCOPE

- This policy applies to a request by an individual taxpayer to change bank account details **at the SARS office.**
- This policy explains the taxpayer's obligations relating to change of banking details and the requirements applicable.

2 POLICY STATEMENT

- In terms of Section 102 of **the Income Tax Act No. 58 of 1962** (the IT Act), the Commissioner for the South African Revenue Service (SARS) shall refund excess amount paid by the taxpayer in respect of the year of assessment, the amount so assessed or excess amount paid by the taxpayer in respect of the taxes chargeable under the IT Act.
- However, the Commissioner of SARS (the Commissioner) shall not refund any amount less than R100 or less than such other amount determined by the Commissioner in the Government Gazette. The credit amount shall not be refunded in that year of assessment but shall be carried forward to the following year of assessment, in terms of Section 102(4) of the IT Act.
- The Commissioner shall not authorise the refund where the taxpayer has:
 - Failed to furnish a tax return for any year of assessment as required by the IT Act, until that taxpayer has furnished the return as required;
 - Failed to furnish the Commissioner with banking details to enable the Commissioner to transfer the funds to that account.
- The primary method of paying refunds is by transferring funds to the taxpayers' bank accounts.
- Taxpayers can update their bank account details through one the following channels:
 - "In Person" at a SARS Branch (SARS's preferred channel),
 - When submitting individual Income Tax Return(ITR12):
 - Via eFiling as a registered eFiler,
 - Via post or drop-box, and
 - At any SARS Branch (walk-in).
- SARS will under no circumstances request a taxpayer's bank account details over the phone, or accept bank account detail changes via facsimile or e-mail.
- The following supporting documentation must be submitted by the taxpayer to change bank account details:
 - Original identity document/passport or a temporary identity document/passport,
 - Copy of identity document/ passport or **a temporary identity document/passport. Where a certified copy is not available, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy,**
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp **or ABSA eStamped statement** not more than three months old that confirms the account holder's name, account number, account type and branch code where applicable, **or** in the case and only based on exception where the client opened a new bank account and cannot produce a bank statement, an original letter from the bank on the bank's letterhead with the bank stamp **reflecting** the date the bank account was opened, and
 - Proof of residential address.

- The table below provides a list of documentation that will be accepted by SARS as proof of physical residential address. In cases where the documentation listed in the table below are not applicable, the Confirmation of Entity Residential Address (CRA01) must be completed. The CRA01 is available on the the SARS website www.sars.gov.za or from your nearest SARS branch. Where proof of residence is in the name of a third party, a certified copy of the identity document/passport or temporary identity document/passport of the third party must be furnished.

	Document description	Validity period
1	GENERAL ACCOUNTS:	
1.1	Utility account i.e rates and taxes, water or electricity account	Less than 3 months old
1.2	Student fee account	Less than 3 months old
1.3	Co-op statement (for farmers)	Less than 3 months old
1.4	Medical aid statement	Less than 3 months old
1.5	Mortgage statement from mortgage lender	Less than 6 months old
1.6	Telephone account from Telkom or NeoTel	Less than 3 months old
2	GOVERNMENT ISSUED DOCUMENT:	
2.1	Motor vehicle license documentation	Less than 1 year old
2.2	Court order	Less than 3 months old
2.3	Subpoena	Less than 3 months old
2.4	Traffic fine	Less than 3 months old
2.5	Documentation relating to UIF or pension payout	Less than 3 months old
3	INSURANCE AND INVESTMENT DOCUMENT:	
3.1	Life assurance document	Less than 1 year old
3.2	Short- term insurance document	Less than 1 year old
3.3	Health insurance document	Less than 1 year old
3.4	Funeral policy document	Less than 1 year old
3.5	Investment statement from share, portfolio or unit trust	Less than 1 year old
4	CRA01 OR LEASE AGREEMENT:	
4.1	Current and valid lease agreement	
4.2	Completion of CRA01 form	

- Taxpayer bank account details must comply with the following:
 - Must be either a cheque, savings, or transmission account;
 - The account must be in the name of the taxpayer. Where a joint account is held with another person, both members of the joint account are required to visit a SARS office in person, and
 - Credit card and bond accounts are not permitted.
- If the bank account type is not a cheque, transmission or savings account, the Account Holder (taxpayer) must ensure that the account is valid for purposes of EFT of any refunds.
- Statements drawn from the internet are not permitted.
- Copies certified by Authorised Bodies (e.g. South African Post Office, South African Police Station, Attorneys, etc) are acceptable. The stamp irrespective of the colour of the ink, should bear the following wording:
 - 'I certify that this document is a true copy of the original which was examined by me and that, from my observations, the original has not been altered in any manner' or
 - 'Certified a true copy of the original'.

- There are certain exceptional circumstances under which SARS will allow such verification of banking details to be done by a person who is not the account holder and who has power of attorney. Such a person will still have to visit a SARS branch with the relevant supporting documentation depending on the exceptional circumstances.
 - The exceptional circumstances are:
 - Any estate
 - Taxpayer who is incapacitated / terminally ill
 - Taxpayer who is a non-resident (emigrant, expatriate, foreigner or temporarily outside the Republic)
 - Taxpayer who is imprisoned
 - Taxpayer is a minor child.
- **In the case of an estate**, the following supporting documentation is required:
 - A letter of Authority or letter of executorship signed and stamped by the Master of High Court;
 - Original identity document/passport or a temporary identity document/passport of the individual executor (appointed by the Master of High Court in his or her personal capacity);
 - Copy of identity document/passport or a temporary identity document/passport of the individual executor. Where the executor is not in a possession of a certified copy, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy;
 - Bank statement (excluding internet printed statements) with the original bank stamp or ABSA eStamped statement not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - Proof of residential address of an individual executor.
- Where the Master of High Court has appointed more than one individual executor, the individual executor/s can nominate the co-executor to represent the taxpayer by completing Power of Attorney (POA) form. The nominated co-executor must submit the above listed supporting documentation together with the completed POA form.
- Power of Attorney forms submitted by Administrators of Estates signed by individual executors are acceptable. Administrators can effect changes to banking details of an estate taxpayer irrespective of the value of the estate.
- Where the Master of High Court has granted the entity executor (company, close corporation, trust etc excluding an individual) authority to act on behalf of the taxpayer, the entity executor can nominate agents and / or employees to act on its behalf.
- A list of employees and /or agents nominated must be submitted to SARS on quarterly basis with the proviso that should there be any new nominees, the updated list must be forwarded to SARS.
 - The following supporting documentation must be submitted by **the agent/nominee of an entity executor**:
 - Original letter on the executor's letterhead (reflecting the executor's business physical address) which indicates the name and identity/passport number of the individual nominee,
 - Certified copy of a letter of Authority or letter of Executorship signed and stamped by the Master of High Court;
 - Bank statement/letter with the original bank stamp not more than three months old confirming the entity executor's banking details or estate late bank account details,
 - Original identity document/passport or temporary identity document/passport of the nominee/agent,
 - Copy of identity document/passport or temporary identity document/passport of the nominee/agent. Where a certified copy is not available, any SARS official who is an

authorised Commissioner of Oath must certify the relevant copy.

- **In the case of a taxpayer who is incapacitated or terminally ill**, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent;
 - Original identity document/passport or a temporary identity document/passport of an appointed person;
 - Copy of identity document/passport or a temporary identity document/passport of an appointed person. **Where the agent is not in a possession of a certified copy, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy;**
 - Certified copy of identity document of the incapacitated / terminally ill taxpayer;
 - Original medical certificate from a registered doctor or hospital confirming that the taxpayer is terminally ill, bedridden and the period of sickness not more than three months old (Inspection may be conducted by SARS if deemed necessary);
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp or **ABSA eStamped statement** not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - From both the **incapacitated/terminally ill taxpayer and the appointed person**: Proof of residential address.

- **In the case of a taxpayer who is imprisoned**, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent;
 - Original identity document/passport or a temporary identity document/passport of an appointed person;
 - Copy of identity document/passport or a temporary identity document/passport of an appointed person. **Where the agent is not in a possession of a certified copy, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy;**
 - Certified copy of identity document/passport of an imprisoned taxpayer;
 - Original signed letter from the Department of Correctional Services confirming that the taxpayer is imprisoned for a specific period not more than three months old;
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp or **ABSA eStamped statement** not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - From both the **imprisoned taxpayer and the appointed person**: Proof of residential address.

- **In the case of a taxpayer who is a non-resident**, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent;
 - Original identity document/passport or a temporary identity document/passport of an appointed person,
 - Copy of identity document/passport or a temporary identity document/passport of an appointed person. **Where the agent is not in a possession of a certified copy, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy;**
 - Certified copy of the identity document/passport of a non-resident taxpayer;
 - Original letter of secondment from the employer confirming that the taxpayer is temporarily outside the Republic for a specific period not more than three months old where the taxpayer is temporarily outside the Republic;
 - Original letter from the South African employer confirming that the taxpayer is temporarily in the Republic for a specific period not more than three months old where the taxpayer is an expatriate;
 - Copy of a Residency Certificate from a country of residence where a taxpayer is an emigrant;
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp or **ABSA eStamped statement** not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - From both the **non-resident taxpayer and the appointed person**: Proof of residential address.

- **In the case a minor child**, the following supporting documentation is required:
 - Original identity document/passport or a temporary identity document/passport of a parent or legal guardian;
 - Copy of identity document/passport or a temporary identity document/passport of a parent or legal guardian. **Where a parent/guardian is not in a possession of a certified copy, any SARS official who is an Authorised Commissioner of Oath must certify the relevant copy;**
 - Original birth certificate of a minor child,
 - **Certified copy of a birth certificate of a minor child;**
 - A letter confirming legal guardianship or court order if a minor child taxpayer is represented by a legal guardian;
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp or **ABSA eStamped statement** not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - Proof of residential address from the parent or legal guardian.

- Where a parent or legal guardian has appointed a person to act as an agent on behalf of a minor child taxpayer, the following supporting documentation is required:
 - A Power of Attorney appointing a person as a duly authorised agent;
 - Original identity document/passport or a temporary identity document/passport of an appointed person;
 - Copy of identity document/passport or a temporary identity document/passport of an appointed person. **Where the agent is not a possession of a certified copy, any SARS official who is an authorised Commissioner of Oath must certify the relevant copy;**
 - Certified copy of identity document or passport of the parent or legal guardian;
 - Certified copy of a birth certificate of a minor child taxpayer;
 - A letter confirming legal guardianship or court order if a duly authorised person has been appointed by a legal guardian not more than three months old;
 - Bank statement (**excluding internet printed statements**) with the **original** bank stamp or **ABSA eStamped statement** not more than three months old that confirms the name of the account holder, account number, account type and branch code, if applicable and
 - From both the **parent/legal guardian and the appointed person**: Proof of residential address.

- **The person who is granted the power of attorney can only act on behalf of the taxpayer in respect of the taxpayer's tax affairs. The appointed agent can enquire, complete and sign the necessary tax returns or other documents regarding taxpayer's tax affairs. The agent must therefore submit the taxpayer's bank statement as well as the other relevant supporting documentation listed above.**

3 REFERENCES

3.1 LEGISLATION

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Income Tax Act No. 58 of 1962: Sections 102 and 102A read with Sections 65 and 66(5)(a)
Other Legislation:	None
International Instruments:	None

3.2 CROSS REFERENCES

- None

4 DEFINITIONS AND ACRONYMS

ABSA	Amalgamated Bank of South Africa
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AVS	Account Verification Solution
Commissioner	The Commissioner for the South African Revenue Service
CRA01	Confirmation of Entity Residential/Business Address
EFT	Electronic Funds Transfer
FNB	First National Bank
IT Act	Income Tax Act No. 58 of 1962 as amended
ITR12	Return of Income for Individuals
PAYE	Pay As You Earn, which means employees' tax
SARS	The South African Revenue Service

5 DOCUMENT MANAGEMENT

Designation	Name / Division
Business Owner:	Group Executive: Branch Operations Group Executive: Contact Centre Operations
Policy Owner:	Group Executive: Enterprise Business Enablement (EBE)
Author:	Patricia Khoncha
Detail of change from previous revision:	Updated to include ABSA eStamp statement and revised supporting documentation for estate taxpayers.
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