

What holds up tax returns?

Why there are delays ...

By: ANGÉLIQUE VISSER

ONE OF the many duties of the executor is to ensure that all outstanding tax returns for previous tax years are completed and submitted to SARS, as well as a return for the year in which the person passed away. Executors call for tax certificates from various institutions and are dependent on

their prompt assistance for these documents in order to proceed with the completion of the tax returns, as the estate cannot be finalised without this.

As most financial institutions have a dedicated department to issue tax certificates, known as an IT3(b), these certificates are

normally received within a reasonable time after being requested by the executor. It is important, however, that executors understand the various financial institutions' processes and turnaround times.

Delays are however often experienced when tax certificates (IRP5s) are requested from employers. Although the Income Tax Act stipulates that these certificates have to be provided within 14 days of the date of death, employers are generally not complying as these certificates have