

South African Revenue Service

Administration of Deceased Estates



Thank you for walking this journey with us



6 November 2023

Deceased Estate

Topics

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Deceased Estates

Overview: Process flow

After the letter of executorship is issued by the Master, the following must be done at SARS:

1. The executor must inform SARS about the death of the deceased and provide his or her details to update and verify the representative Taxpayer's details. (also known as the registered representative (RR))
2. Supporting documents must be provided for purposes of the coding process (Visit the SARS website to find the list of required documents to be submitted - <https://www.sars.gov.za>)
3. Once the deceased person has been coded and the registered representative details have been updated, all the outstanding tax returns should be submitted via eFiling up to the date of death. This applies to all tax types: Income Tax, VAT, PAYE, SDL, UIF and estate duty if it is a dutiable estate

Deceased Estates

Overview: Process flow continue...

4. If there is taxable income after date of death, the deceased estate needs to be registered for a second tax reference number (applies to estates after 1 March 2016)
5. SARS will conduct an audit on all taxes pre, and post-death on the REV267 together with the Final L&D account. The REV267 can be downloaded from the SARS website
6. Only when all taxes (IT, VAT, PAYE, SDL, UIF and Estate Duty) have been paid, the executor can request for the deceased estate compliance letter (DEC)
7. SARS issues one DEC letter including estate duty if it was a dutiable estate and deregister the case

Reporting a death at SARS

Available channels for reporting

The following channels may be used to report an estate case:

1. SARS Online Query System is an easy-to-use online platform that is accessible via the SARS Website:
 - Request New Estate Case
2. E-mail channels:
 - For Tax Practitioners: pcc@sars.gov.za
 - For Taxpayers: contactus@sars.gov.za

Use our Digital Channels



List of reporting documents also available on the updated FAQ (Issue 3) question 48 :
([Estates | South African Revenue Service \(sars.gov.za\)](https://www.sars.gov.za/estates))

Reporting a death at SARS

Steps to follow:

1. It is important to know if the deceased had a tax number, SARS must be informed to remove the case from the register. After reporting the case via one of the available channels, SARS will proceed to code the case and update the RR details
2. Please take note, SARS transfers the income tax number to the nearest SARS office where the death was reported at that Masters Office
3. Part of the coding process of a deceased estate is to verify the RR. Therefore, it is important for the details of the RR to be updated on their personal e-Filing profile. If this process was not done at coding, a request to update the RR details can be done via the digital channel (a video of this process is already available on SARS TV on the YouTube channel)

Reporting a death at SARS

Steps to follow continue...

4. The Executor will receive a case number after the case has been reported. A notification letter is issued via e-mail to the RR. The engagement pack will show information regarding the outstanding tax returns and any outstanding debt on the account
5. The case number must be provided when the executor does a follow-up enquiry or submit any further documents relating to the estate
6. The executor may use any of the following Power of Attorneys (POA's)
 - **Special Power of Attorney (SPPOA):** To appoint a taxpayer or representative taxpayer, except a Tax Practitioner, to act on his/her behalf, the SPPOA must be accompanied by
 - a copy of the taxpayer's identity document;
 - a copy of representative taxpayer's identity document

Reporting a death at SARS

Steps to follow continue...

- **Special Power of Attorney to Tax Practitioner (TPPOA):** To be completed by the representative taxpayer to appoint a tax practitioner to act on his/her behalf
 - **Authority on Special Power of Attorney by Tax Practitioner (ASPOA):** To be completed by a tax practitioner to further delegate an employee to act on a client's behalf
(The TPPOA must be submitted simultaneously with this ASPOA to SARS offices)
7. After the coding is done, the executor must submit all the outstanding returns on all taxes the deceased was registered for - up to the date of death via eFiling
 8. Once the signed original Liquidation & Distribution account (L&D account), has been submitted to the Master' Office, copies thereof can be submitted to SARS, together with the REV267 (estate duty return)
 9. SARS will conduct an audit on all taxes, including estate duty
 10. After all the Tax liabilities have been paid in full, the executor can request the DEC letter.
SARS will issue one DEC letter for all tax types, including estate duty

Refunds / Banking details update

- To protect taxpayers against fraud, estate late banking detail updates will be subject to an account verification process
- A refund due will only be paid out if there is a valid bank account, meaning estate late bank account
- Change of banking details for a deceased taxpayer can only be made once classified as a “deceased estate” by SARS. Executors are advised to wait for a letter from SARS confirming the status change before trying to change the banking details
- The executor can request the update of the banking details
- Where more than one executor has been appointed by the Master of the High Court and one executor has been nominated by the co-executor/s to represent the taxpayer, a completed and signed SARS Power of Attorney (POA) form is acceptable. The executor must submit SARS POA form together with the listed documents before the update can be made
- Completing the RAV01 on eFiling the banking details can also be amended

Banking details update continue...

- If a letter is received from SARS to verify the banking details:

The requestor submitting the supporting documents electronically, must provide an image of himself/herself holding their proof of identity, as well as a written note containing the case number and the date on which the documents are uploaded to SARS. It is important that the requestor's face, proof of identity and the note are clearly visible in the same picture (see example on slide 12)



Banking details update continue...

- For post date of death registration purposes for deceased taxpayers on or after 1 March 2016, the estate late banking details used in the first registration (prior to date of death) must be used in the second registration (post date of death). If an update is required, the representative must provide all the relevant supporting documents
- In the case of a section 18(3) estate where the surviving spouse presents the letter of authority, the banking details can be changed to those of the surviving spouse provided that all the supporting documents are available

Interest free extension on estate duty payable

- The Commissioner may grant an extension under section 10(2) of the Estate Duty Act for payments of estate duty without interest.
- The request can be forward to: estateduty@sars.gov.za.
- The request will be dealt with by the relevant region's committee and the outcome will be forward to the executor after the outcome is available.
- This application is made within the timeframes set out in section 10(2) of the Estate Duty Act.
- The extension has to comply with the following:
 - Application must be in writing within the required timeframe; and
 - A reasonable deposit is paid.

Interest free extension continue...

The following supporting documents must be submitted together with the written request:

- A copy or draft signed L&D account
- Proof of payment(s)
- Reason(s) for the request
- Extension date required
- Any correspondence relating to the request
- Letter of executorship
- A power of attorney in the case of a representative or tax practitioner

Estate Duty Payments

- Estate duty payments can only be made via eFiling. There is no electronic funds transfer (EFT) option available for estate duty.
- In order to make a payment for estate duty, the deceased must be registered for income tax purposes. The tax reference number provided with this payment must be the pre-death income tax reference number of the deceased. If not registered for income tax, the executor needs to apply for registration of an income tax reference number for the deceased.
- To make a payment on the eFiling system:
 - Log on to the eFiling system
 - From the left hand side menu select 'Payments'
 - Select 'Pay Now' and then 'Create Additional Payment'

Estate Duty Payments continue...

- Under 'Tax Type', select 'Estate Duty (ESD)
- In the 'Taxpayer Name' field enter the deceased's initials and surname
- Under 'Type of Payment', select 'Estate Duty Normal Payment'
- Under 'Tax Reference Number', enter the deceased's pre-death income tax reference number
- In the 'Amount' field enter the payment amount
- Select 'Make Payment'

Confirm the payment with the bank. Email proof of payment to estateduty@sars.gov.za.

Please note: Paying estate duty into the income tax account result in delays as the executor will be requested to submit certain documents with the REV16 before the transfer of the money from the income tax to estate duty account can take place.

Estate Duty Assessment

- The request for an estate duty assessment can be forward to the estateduty@sars.gov.za email address.
- The Liquidation and Distribution Account and REV267 should be submitted together with the request for an assessment.
- The estate duty team can request the relevant vouchers before the case is forward to the region dealing with the case. A case number is allocated to the request.
- The region will attend to the audit and issue the estate duty assessment (REV250).

Deceased Estate Compliance Letters

Requirements to get a tax compliance confirmation on completion of the estate.

1. The Executor can request the deceased estate compliance letter (DEC) via the e-mail channels. Please note we do not refer to a TCS
2. The DEC letter must be requested when all assessments have been submitted, the L&D account has been submitted and the account has a nil balance. The DEC letter must not be requested when reporting the case, SARS will not attend to the request
3. SARS will issue one DEC letter, for all taxes, including estate duty. This letter is sent to the Executor that needs to submit it to the Master
4. If the DEC Letter was not received it can be requested through one of the following channels:
 - contactus@sars.gov.za
 - pcc@sars.gov.za
 - estateduty@sars.gov.za

Complaints channels available

- A complaint is a grievance, or some form of dissatisfaction experienced by the taxpayer or representative, in relation to a process (including queries, returns or any service request) or a service experience that is not adequately resolved.
- If you are not satisfied with the service after your interaction with SARS, you may complain.
- There are 3 preferred ways to send your complaint:
 - Via eFiling. See our step-by-step guide on how to lodge a complaint via eFiling. Please note that you must be registered on eFiling
 - Visit your nearest SARS Branch. (During lockdown, branch visits are limited by appointment only)
 - By calling the SARS Complaints Management Office (CMO) on 0860 12 12 16.

Available information on Deceased Estates

DOCUMENTS

FAQ on Deceased Estates; and Administration of Deceased Estates leaflet available at:

<https://www.sars.gov.za/businesses-and-employers/estates/>

WEBPAGES

Estates webpage: <https://www.sars.gov.za/businesses-and-employers/estates/>
and

Estate Duty webpage: <https://www.sars.gov.za/types-of-tax/estate-duty/>

VIDEOS

SARS TV episode on How to report a deceased estate at SARS:
<https://youtu.be/x-zuwQS2gSo>

Available information continue ...

LINKS (Digital Channels on SOQS)

- Report New Estate Case: <https://tools.sars.gov.za/SOQS/?queryType=13>
- Supporting documents to report a new Estate Case:
<https://www.sars.gov.za/faq/faq-what-supporting-documents-must-i-submit-to-report-a-new-estate-case/>
- Update the Representative Taxpayer's details:
<https://tools.sars.gov.za/SOQS/?queryType=12>
- Change of banking details: <https://www.sars.gov.za/wp-content/uploads/Ops/Guides/GEN-GEN-41-G01-Change-of-Banking-Details-External-Guide.pdf>
- Book an appointment: <https://www.sars.gov.za/gen-bo-09-g01-book-an-appointment-at-a-sars-branch-external-guide-1/?swpmtx=68102103863ad8b9c062e09bb1a34dcc&swpmtxnonce=4f1a702805> (SARS Online Query (8.5.0.0 (PROD)))

Thank you
Re a leboha
Re a leboga
Ndza Khensa
Dankie
Ndi a livhuwa
Ngiyabonga
Enkosi
Ngiyathokoza



Thank you for walking this journey with us

