

| Identifying Number | Questions/Query | Answer | Reference |
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| RM-FAQ-001 | What are the requirements of a valid tax invoice? | <p><u>Full Tax invoice (where the consideration for the supply is R5 000 or more)</u></p> <ul style="list-style-type: none"> The words “TAX INVOICE”, “INVOICE” or “VAT INVOICE” in a prominent place; Name, address and VAT registration number of the supplier; Name, address and VAT registration number of recipient; Serial number and date of issue; Full and proper description of the goods and/or services; Quantity or volume of goods or services supplied; Value & amount of VAT <p><u>Abridged Tax invoice (where the consideration for the supply is less than R5 000)</u></p> <ul style="list-style-type: none"> The words “TAX INVOICE”, “INVOICE” or “VAT INVOICE” in a prominent place; Name, address and VAT registration number of the supplier; Serial number and date of issue; A description of the goods and/or services; Value & amount of VAT <p>If one point is missing, the claim will be rejected.</p> | Section 20(4) and 20(5) of the VAT Act |

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| <p>RM-FAQ-002</p> | <p>How detailed must the description of the goods or services on the tax invoice be?</p> | <p>The VAT legislation requires “a description and quantity or volume of the goods (indicating, where applicable, that the goods are second-hand goods) or services supplied”</p> <p><u>Goods</u> Accurately determine from the information stipulated on the tax invoice what was supplied? For example, 6 pack soda of 200 ml each.</p> <div style="text-align: center;">  </div> <p><u>Services</u> What services are being supplied? For example, gardening services supplied or maintenance done.</p> <p>Where progress payments on projects are claimed, a copy of the project/contract must be submitted.</p> | <p>Section 20(4)(e) and 20(5)(d) of the VAT Act</p> |
| <p>RM-FAQ-003</p> | <p>What if the amount on the tax invoice is incorrect?</p> | <p>Rectify the invoice with the supplier before submitting the claim with SARS otherwise, the claim will be rejected.</p> | |
| <p>RM-FAQ-004</p> | <p>What are the requirements for a diplomat claiming VAT on the purchase of a private vehicle?</p> | <ol style="list-style-type: none"> 1. Revenue 16 form signed and stamped 2. A note verbale from the diplomatic mission, consular post or international organisation office, indicating the diplomatic car registration number; | <p>VAT 418 Guide</p> |

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| | | <ol style="list-style-type: none"> 3. A copy of the invoice, tax invoice or VAT invoice for the purchase of the vehicle. VAT on emission tax is non-refundable and must be deducted from the VAT amount before the refund. 4. Natis registration forms (MVL1 and RC1).The vehicle must be registered in the purchasers name 5. Full proof of payment of the vehicle such as bank honoured / guaranteed cheque or receipt from the dealer. Settlement letter from the bank and the credit sales agreement / contract for vehicles financed 6. Letter from DIRCO confirming that the diplomat qualifies for a VAT refund 7. Copy of the diplomat's passport and Dip card. Where a new passport or Dip card was issued and the person was in the country before, all passports and ID'S must be attached 8. DMV1 form approved by DIRCO 9. If there was a trade-in, the document (DVM6) granting permission to sell from DIRCO, must be attached. 10. Bank account details where the money must be transferred to and proof of banking details in the form of a bank statement or letter from the bank not older than 3 months. 11. A letter from the diplomat confirming the banking details | |
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| | | All documents to be emailed to embassies@sars.gov.za | |
| RM-FAQ-005 | Does SARS allow claims for servicing of a vehicle or purchasing of car parts if the vehicle is registered in diplomat's name and the embassy has paid for this? | SARS will allow the VAT claim when the DIP registration number is on the tax invoice and the services paid by the embassy. | |
| RM-FAQ-006 | Does SARS accept tax invoices with no VAT number? | From 1 April 2015 if both VAT numbers (i.e. VAT registration number of the supplier and the Embassy) are not printed on the tax invoice, the invoice will be disallowed. The words "Tax Invoice", "VAT invoice" or "invoice" must be visible. | |
| RM-FAQ-007 | What documents must be submitted when a diplomat is deceased and the body is returned to the country of origin? | A DA1 Document from Customs, copy of diplomat's card, death certificate. If one of the required documents is not submitted the request will be disallowed. | Customs and Excise Act (Act No 91 of 1964) |
| RM-FAQ-008 | How does SARS deal with progress payments on contracts? | All requirements as per the contract (i.e. starting and ending date of the contract, description of the goods or services, name, address and VAT registration number of the supplier and the embassy, value and amount of VAT) as well as progress payment schedule/history must be submitted. VAT is only be refunded to the embassy based on payments made. Duration of contract must be confirmed. | |
| RM-FAQ-09 | Is a hand written VAT number on a tax invoice allowed? | Hand written VAT numbers on tax invoices may be allowed, if the handwriting is by the supplier and not the embassy. | |

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| RM-FAQ-010 | Can a tax invoice held by the embassy reflect the embassy title as 'Trading as (T/A)' and be accepted as a proper tax invoice? | The name reflected on the tax invoice must correspond to the name/names reflected on SARS system. | |
| RM-FAQ-011 | Can an embassy claim relocation expense? | Where the embassy pays for a diplomat's relocation, the claim may be allowed. | |
| RM-FAQ-012 | Will cash payments for official expenses be allowed? | The embassy must provide a Note Verbal, stating that the expenses listed thereon are for official purposes and signed by the Ambassador or Head of Finance. A receipt must be provided as proof of payment. If the embassy drew cash to make payments then a bank statement reflecting the consolidated expenses amount must be visible. | |
| RM-FAQ-013 | Will the embassy be allowed to deduct expenses incurred for catering services? | Yes, only where the embassy confirms, in the form of a Note Verbal, that it is for official purposes. The embassy must also provide proof of payment of such expenses. The tax invoice must be issued in the name of the embassy. | |
| RM-FAQ-014 | Can the embassy deduct expenses paid by the diplomat with the embassy's credit card? | Yes, only where the embassy confirms, in the form of a Note Verbal, that it is for official purposes. Furthermore, the claim must meet the requirements of a valid tax invoice and proof that the embassy paid for this expense, must be supplied. | |
| RM-FAQ-015 | Can the embassy claim old tax invoices? | The embassy can claim for invoices not older than 5 years from the current year. | |

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| RM-FAQ-016 | Can the embassy claim on prepaid services and airtime vouchers? | Electricity and airtime are allowable expenses. [Refer to RM-FAQ-014 above for requirements] | |
| RM-FAQ-017 | Can the embassy claim on telecommunication services? | All telecommunication expenses are allowed provided, that the mobile phone and landline numbers match the Note Verbal. In the case where a diplomat leaves and an existing number is allocated to a new diplomat, the Note Verbal should be updated accordingly. | |
| RM-FAQ-018 | Is it acceptable to allow Telkom/ Vodacom / Tshwane tax invoices where the VAT registration number of the Embassy is not printed on the invoice? | If the VAT registration number of the embassy is missing from the tax invoice it can be allowed, provided all the other requirements of a valid tax invoice are met. This is only for exception cases. Embassies should arrange with the service providers to include the VAT registration number of the Embassy in all future tax invoices. | |
| RM-FAQ-019 | Is it acceptable to allow Cell C tax invoices where the words “Tax invoice”, “VAT invoice” or “invoice” are missing? | All Cell C tax invoices are allowed where the words “Invoice Number” or “Account Number” are printed in the tax invoice, instead of the words “Tax Invoice”, “VAT invoice” or “invoice”. It should be noted that the words “Tax Invoice” are found on the 1 st page of the tax invoice. | |
| RM-FAQ-020 | What type of entertainment expenses are allowed as a deduction? | Official expenses in the form of conferencing, meal and drinks may be allowed if a Note Verbal and valid proof of payment from the embassy is attached. | |
| RM-FAQ-021 | What type of entertainment expenses | Spa treatments and game drives are disallowed | |

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| | are disallowed as a deduction? | | |
| RM-FAQ-022 | Can the embassy claim a deduction on the acquisition of medical kits? | Yes, the embassy may claim a deduction on the acquisition of a medical first aid kits. | |
| RM-FAQ-023 | Can the embassy claim on medical expenses? | The embassy is allowed to claim VAT paid by the Ambassador for medical services supplied to the Ambassador and his immediate family. The embassy is also allowed to claim VAT paid by the embassy for medical services supplied to diplomats. Proper proof of payment must be submitted by the embassy. | |
| RM-FAQ-024 | Can the embassy claim on expenses incurred by the Ambassador? | The embassy is entitled to claim VAT paid on all expenses incurred by the Ambassador, Consulate General or High Commissioner. Proof of payment by the Embassy must be attached. | |
| RM-FAQ-025 | Would the evidence of a "Paid Stamp" suffice as proof of payment? | This will not be allowed without any additional proof of payment, for example a bank statement | |
| RM-FAQ-026 | Can the embassy claim on insurance premiums? | In most instances, insurance companies do not issue tax invoices, however, in terms of a ruling issued by SARS to the insurance industry, the insurance contract constitutes a tax invoice, provided all the requirements of a "tax invoice" be complied with. In this regard, the embassy may claim VAT on insurance premiums paid provided the proper proof of payment is attached. | |

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| RM-FAQ-028 | Can hotel invoices with a tracking number instead of a tax invoice number be acceptable? | Although the VAT legislation stipulates that an individual serialized number must be in the tax invoice, a tax invoice, folio or tracking number will be allowed for tax invoices for Hotel accommodation only . | Section 20(4)(5) of the VAT Act |
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