



NEW ITR14 FEATURES

This document deals with the new importation of a trial balance and some other new features.

ITR14

INTRODUCTION

The problem with ITR14s is that they are designed for the largest company in South Africa. What you will probably find is that most ITR14's are in fact more of a simplistic nature because they cover very simple CC's and companies, however the Sky Tax IT14TR module will handle even the most complex tax returns.

The hardest most time consuming task is actually inputting the trial balance amounts and getting the right Accfin Sky source code against each amount entered. SARS does not use a source code they use a description whereas in our software we use a source code which of course make things much easier. The trick is getting from the trial balance amounts that comes out of a set of working papers or the general ledger amounts that come out of an accounting system with the Accfin Sky source codes.

Please note that you can export the trial balance from the Draftworx working papers with the Accfin Sky source codes.

In this version of Sky Tax we have simplified the importation process of the trial balance.

There are also some other new features which will be explained in this document.

ITR14 FRONT PAGE – RETURN INFO

The screen below indicates the front page of the ITR14 tax return. There is some very important information that you need to understand and address on the front page called **Return Info**, the most important being the **company type** which we call the **container type**.

The screenshot shows the ITR14 tax return front page. The 'RETURN INFO' tab is selected. The 'Particulars of Taxpayer' section shows the Client Code as SNAZZY|SNAZZY SOFTWARE COMPANY SC (PTY) LTD, Id/Reg No as 828282828, Tax Number as 9123456783, and Year end Month as February. The 'RETURN INFO' table shows the following data:

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS Status | Last Comm |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|-------------|-----------|
| 2018 | 10,262,947.00 | 2,873,625.16 | 100,000.00 | 2,773,625.16 | | | Large Business | | |

The 'RETURN INFO' section includes the following fields:

- Registered Details:** Have the banking, public officer and contact details been confirmed? (refer to guide) [Check Return]
- Dormant:** Is the company dormant? [] Did the company become dormant/inactive this tax year? [] Specify movement: R [] (Assets/Liabilities+Reserves) Reason: []
- Voluntary Disclosure Programme:** Is this return in regard to a VDP agreement? [] VDP No. 12222
- Donations:** Does the company want to claim donations in terms of s18A? [] Is the company a collective investment scheme? []
- Company Type (Medium Large):** Is the company a body corp/share block as per s10(1)(e)? [] Gross Income R 10,000,000 (Sales/Turnover+Other Inc) Total Assets R 30,000,000 (Current + Non Current)
- Customs Information:** Does the company have Customs registration number(s)? [] Specify the number of Customs registration numbers 3 Main Industry Source Code 41000 Profit Code 0198 Other not specified Province Gauteng Profit Code Desc. MANUFACTURING
- Type of Company:** Normal
- Company Information:** Is the Company a Personal Service Provider? [] Is the company resident in SA for tax purposes? [] How many share classes have been issued 2 Urban Development deduction(s13quat)? [] Did the company enter into reportable arrangement? as per s31-39 or Tax Act s76A/s80M-s80T Number of Arrangements 2 Were any dividends declared? [] Is the company a headquarter company as per s91? [] Is the company part of a group of companies as per s1? [] Did company receive/pay any amounts to a non-resident? [] Was an effected transaction entered into as per s31 where the company: Received/Earned foreign income [] Incurred foreign expenditure [] Is the company part of a group of companies that prepares financial statements []

CONTAINER TYPE

Based on the **gross income** amount and the **total assets** the system will automatically calculate the container type. The first step before you start is to create a new taxpayer for the year in question and then to create a new page by ticking on the green plus.

The next step is that you need to populate the gross income figure and the total assets figure and the system will then determine the taxpayer type.

If by chance you change the gross income and the total assets figures then the system is going to request a new container type if the brackets have changed as indicated on the screen below. In this instance you will lose the source code data that you entered, therefore please make sure you are sure of which container type at the start or at least have the trial balance.

Each container type has different source codes depending on whether its **micro, small, medium and large**. The container type is set on the size of the figures (i.e. the gross income and the total assets) so very large companies will have a lot more source codes as opposed to a micro which will have very few source codes. There may be a situation where you have entered the wrong income and assets and you correct them then the system will require a new container type and this will have the effect of deleting your current container even if you have input figures into the trial balance. If you place the cursor over **total assets** and **gross income** the system will give you a tooltip of the brackets that determine the container type.

Whenever the container type is going to change system will give you a warning message as indicated in the screen below.

At this time, it will also be a good idea to indicate **type of company** which is shown on the screen below and is depicted as **normal**. The other types of company are **small** and **branch** and an **employee** company. By placing your cursor over this field, you will see a tooltip of the different types of company. This will effect the rates!

IT14'S

Particulars of Taxpayer

Client Code: SNAZZY|SNAZZY SOFTWARE COMPANY SC (PTY) LTD
 Id/Reg No: 828282828
 Tax Number: 9123456783
 Year end Month: February
 MARK SILBERMAN
 SILBERMAN MARK

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS Status | Last Comm |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|-------------|-----------|
| 2018 | 10,272,947.00 | 2,876,425.16 | .00 | 2,876,425.16 | | | Small Business | | |

RETURN INFO

Registered Details

Have the banking, public officer and contact details been confirmed? (refer to guide)

Check Return

Dormant

Voluntary Disclosure Programme

Is the company dormant?

Did the company become dormant?

Specify movement Reason

Container Type

This will change container type from Medium/Large to Small and Delete All figures. Continue?

Yes No

Company Type (Medium Large)

Is the company a body corp/share block as per s10(1)(e)?

Gross Income R 10,000,000 (Sales, Turnover + Other Inc)

Total Assets R 10,000,000 (Current + Non Current)

Type of Company

Normal

Company Information

Is the Company a Personal Service Provider?

Is the company resident in SA for tax purposes?

How many share classes have been issued? 2

Urban Development deduction(s13quat)?

Did the company enter into reportable arrangement? as per s31-39 or Tax Act s76A/s80M-s80T

Number of Arrangements 2

Were any dividends declared?

Is the company part of a group of companies as per s1?

Did company receive/pay any amounts to a non-resident?

Was an effected transaction entered into as per s31 where the company:

Received/Earned foreign income

Incurred foreign expenditure?

Is the company part of a group of companies that prepares financial statements?

Does the company have Customs registration number(s)?

Specify the number of Customs registration numbers 3

Main Industry Source Code 41000 Profit Code 0198 Other not specified Province Gauteng

Profit Code Desc. MANUFACTURING

It will be a good idea to deal with any of the questions that you can answer on the **Return Info** screen by answering some of the questions the menu option relating to supporting schedules or additional information will be switched on in the financial items tab when you select financial items.

Once the formalities have been attended to in the above screen you can import the trial balance by selecting **Financial Info**. Once you are on the screen click on the trial balance button in order to commence the import.

Import Trial Balance

☐ Exclude Zeros

| SrcCode | Acc Code | Acc Description | TB Amount |
|---------|----------|-----------------|-----------|
|---------|----------|-----------------|-----------|

631 : Sales
 632 : Income Items
 633 : Expense Items

621 : Non Current Assets
 622 : Current Assets
 6231 : Capital Credits
 6232 : Capital Debits
 624 : Non Current Liabilities
 625 : Current Liabilities

Debits
 Credits
 Difference

The above screen has a number of different processes.

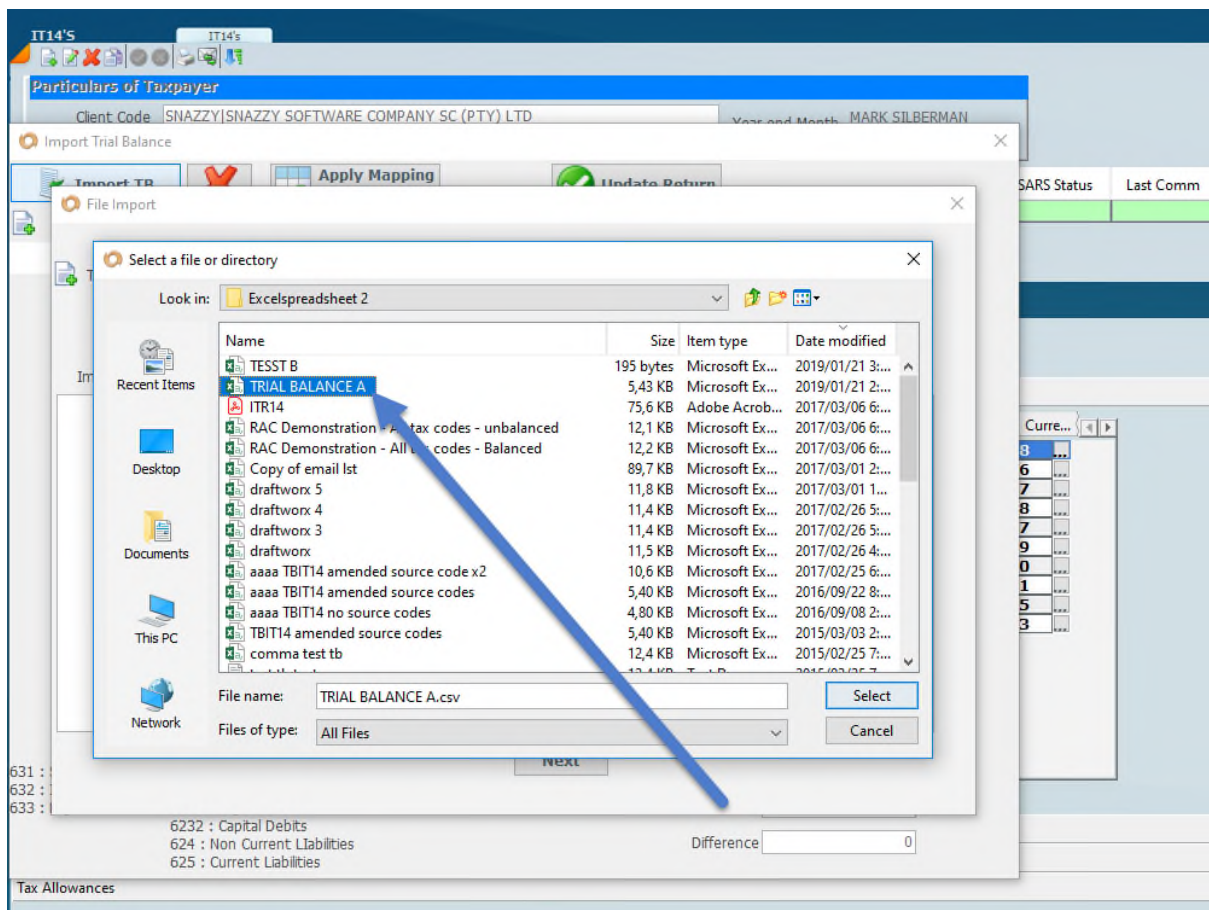
Import trial balance – this button will allow you to import the trial balance, it will navigate you to where the trial balance is. The trial balance must be in a CSV format. The importation system will allow you to configure any format trial balance. Once you have run and import and you find that it is not correct you can do it as many times as you like until satisfied.

X – this button will delete the contents of the trial balance page.

Apply mapping process – this button will allow you to pull in a trial balance without source codes and if you have pulled in the trial balance from the previous year it will automatically map the accounting codes to Sky Tax source codes which are based on the previous year.

Drop down below the apply mapping button – where you are using the same accounting codes for your trial balances in that you use a standard accounting system and you have allocated the codes for the year before you can save the trial balance as a mapping file which can be used for the next year.

The Update Return button – this button will update the source codes on the return and must be pressed whenever a new trial balance is imported. This will also need to be done when the TB is manually changed.



Once you have found the trial balance you are looking for click on it and the trial balance will load and it will look like on the screen below. The trial balance imported in the screen below already has its source codes which you can see on the left-hand side. If you're happy with the source codes and it all balances you can then click on the **update return** and it will update the trial balance in the tax return.

IT14's

Particulars of Taxpayer

Client Code: SNAZZYISNAZZY SOFTWARE COMPANY SC (PTY) LTD

Year and Month: MARK SILBERMAN

Import Trial Balance

Import TB

Apply Mapping Process

Update Return

Large Business

Exclude Zeros

| SrcCode | Acc Code | Acc Description | TB Amount |
|--|-------------------------------|-------------------------------|---------------|
| 4734 Less: Purchases - Foreign: Connected(e | 250 | Opening stock | 10,000 |
| 4734 Less: Purchases - Foreign: Connected(e | 260 | Closing stock | -150,000 |
| 4734 Less: Purchases - Foreign: Connected(e | 290 | Purchases raw materials | 391,704.36 |
| 4734 Less: Purchases - Foreign: Connected(e | 299 | Purchases - STATIONERY | 125,826.93 |
| 4643 Other non-current liabilities 624 - Non | 637 | 637 Shareholders loan - JOINT | -776,976.74 |
| 4643 Other non-current liabilities 624 - Non | 638 | 638 Other shareholders | 10 |
| 4643 Other non-current liabilities 624 - Non | 639 | 639 Shareholders loan - A | 84,098.47 |
| 4643 Other non-current liabilities 624 - Non | 640 | 640 Shareholders loan - B | -32,895.56 |
| 4643 Other non-current liabilities 624 - Non | 641 | 641 Shareholders loan - C | -289,001.07 |
| 4639 Share capital 6231 - Capital Credits] | 595 | 595 Share capital | -100 |
| 4638 Cash and cash equivalents 622 - Curre | 702 | 702 Call account - Africa | 187,405 |
| 4637 Gross trade and other receivables (excl | 662 | 662 Debtors control | 10,137,765.56 |
| 4637 Gross trade and other receivables (excl | 666 | 666 Deposits | 50,958.31 |
| 4637 Gross trade and other receivables (excl | 670041 | 670041 Loan - A | 4,414.8 |
| 4637 Gross trade and other receivables (excl | 67007 | 67007 Loan - D | 10,200 |
| 4637 Gross trade and other receivables (excl | 67014 | 67014 Loan - E | 4,450 |
| 4637 Gross trade and other receivables (excl | 67019 | 67019 Loan - F | 2,896 |
| 4623 Gross trade and other payables (not o | 812 | 812 A. ROTH & CO | -30,000 |
| 4623 Gross trade and other payables (not o | 814 | 814 Accruals | -67,500.98 |
| 4623 Gross trade and other payables (not o | 815 | 815 Creditors control | -44,786.86 |
| 631 : Sales | 621 : Non Current Assets | Debits | 17,461,516.29 |
| 632 : Income Items | 622 : Current Assets | Credits | 17,461,516.63 |
| 633 : Expense Items | 6231 : Capital Credits | Difference | -0.34 |
| | 6232 : Capital Debits | | |
| | 624 : Non Current Liabilities | | |
| | 625 : Current Liabilities | | |

Tax Allowances

If there are some source codes that are blank, those line items will appear at the top of the page and then it's a simple matter of allocating the source code.

IT14's

Particulars of Taxpayer

Client Code: SNAZZYISNAZZY SOFTWARE COMPANY SC (PTY) LTD

Year and Month: MARK SILBERMAN

Import Trial Balance

Import TB

Apply Mapping Process

Update Return

Large Business

Exclude Zeros

ACCFIN TEST M...

| SrcCode | Acc Code | Acc Description | TB Amount |
|--|----------|-----------------------------------|-------------|
| | 230 | SALES | -10,000,000 |
| | 480 | 480 Taxation - Normal tax | 0 |
| | 481 | 481 WITHHOLDING TAX - AFRICA | 0 |
| | 490 | 490 Development costs capitalised | 0 |
| | | | 0 |
| | | | 0 |
| 4734 Less: Purchases - Foreign: Connected(e | 250 | Opening stock | 10,000 |
| 4734 Less: Purchases - Foreign: Connected(e | 260 | Closing stock | -150,000 |

By clicking on the source code area, a drop down will open with all the available source codes. If you know what the source code is then scroll down to it and select. If you want to access the group of

source codes then at the bottom of the trial balance window there are some main codes examples. If you type in 631 it will give you a list of all the source codes that belong to sales. You will see at the bottom of the trial balance the headers for the groups of source codes.

Client Code: SNAZZY(SNAZZY SOFTWARE COMPANY SC (PTY) LTD) Year-end Month: MARK SILBERMAN

Import Trial Balance

Import TB Apply Mapping Process Large Business ☒ Exclude Zeros

ACCFIN TEST M...

| SrcCode | Acc Code | Acc Description | TB Amount |
|---------|----------|---|---------------|
| | 230 | SALES | -10,000,000 |
| 4401 | | [Income (other than foreign divs) exempt from tax -s10(excl s10(1)(e) [6411 - D | 0 |
| 4402 | | [Income exempt by virtue of double tax agreement [6411 - Debit Non-Taxable] | 0 |
| 4408 | | [Credit agreement and debtors allowances (hire-purchase)(s24) [6412 - Debit Sp | 0 |
| 4410 | | [Doubtful debt allowance (s11(j)) [6412 - Debit Special Allowances] | 0 |
| 4414 | | [Allowance for future expenditure (s24C) [6412 - Debit Special Allowances] | 0 |
| 4417 | | [Improvement to leasehold premises (s11(g)) [6412 - Debit Special Allowances] | 0 |
| 4418 | | [Lease payments on capitalised leased assets [6412 - Debit Special Allowances] | 10,000 |
| 4419 | | [Lease premium allowance (s11(f)) [6412 - Debit Special Allowances] | -150,000 |
| 4734 | | [Less: Purchases - Foreign: Connected(e)290 Purchases raw materials | 391,704.36 |
| 4734 | | [Less: Purchases - Foreign: Connected(e)299 Purchases - STATIONERY | 125,826.93 |
| 4643 | | [Other non-current liabilities [624 - Non 637 Shareholders loan - JOINT | -776,976.74 |
| 4643 | | [Other non-current liabilities [624 - Non 638 Other shareholders | 10 |
| 4643 | | [Other non-current liabilities [624 - Non 639 Shareholders loan - A | 84,098.47 |
| 4643 | | [Other non-current liabilities [624 - Non 640 Shareholders loan - B | -32,895.56 |
| 4643 | | [Other non-current liabilities [624 - Non 641 Shareholders loan - C | -289,001.07 |
| 4639 | | [Share capital [6231 - Capital Credits] 595 Share capital | -100 |
| 4638 | | [Cash and cash equivalents [622 - Curre 702 Call account - ABSA | 187,405 |
| 4637 | | [Gross trade and other receivables (excl 662 Debtors control | 10,137,765.56 |
| 4637 | | [Gross trade and other receivables (excl 663 Less: Provision for bad debts | 0 |
| 4637 | | [Gross trade and other receivables (excl 666 Deposits | 50,958.31 |

631 : Sales 621 : Non Current Assets
 632 : Income Items 622 : Current Assets
 633 : Expense Items 6231 : Capital Credits
 6232 : Capital Debits
 624 : Non Current Liabilities
 625 : Current Liabilities

Debits
 Credits
 Difference -0.34

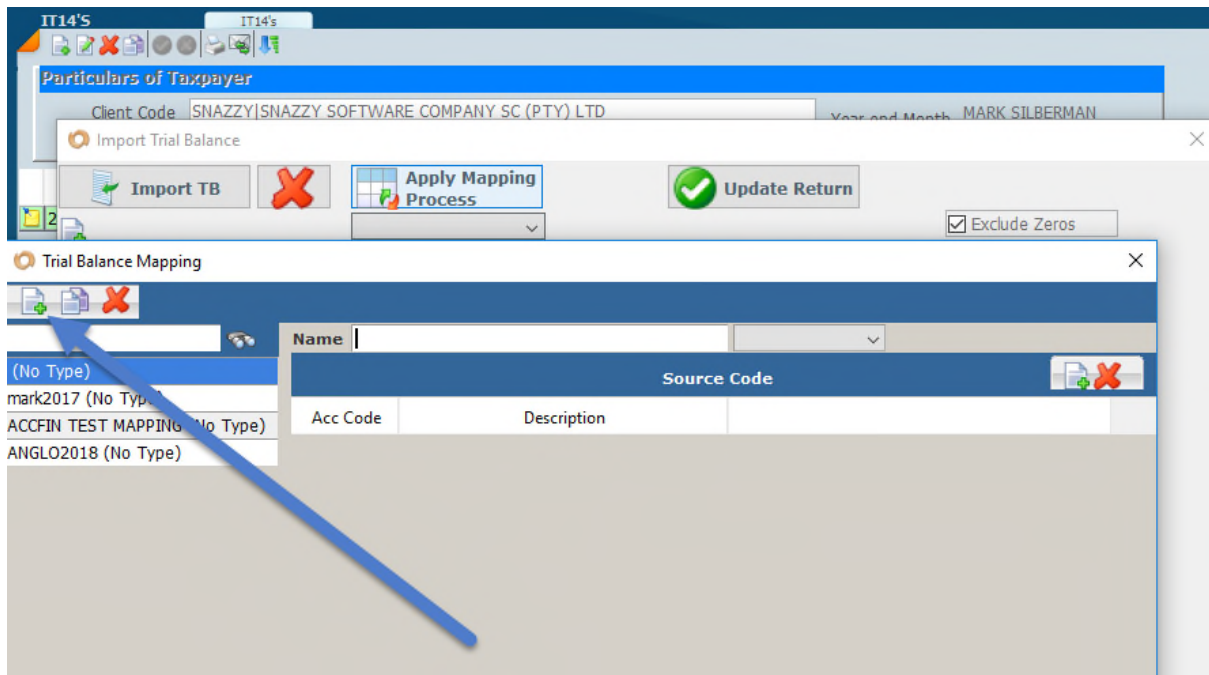
Once you have populated all the source codes you can update the trial balance and the figures in the financials of the tax return will automatically refresh.

MAPPING FILES

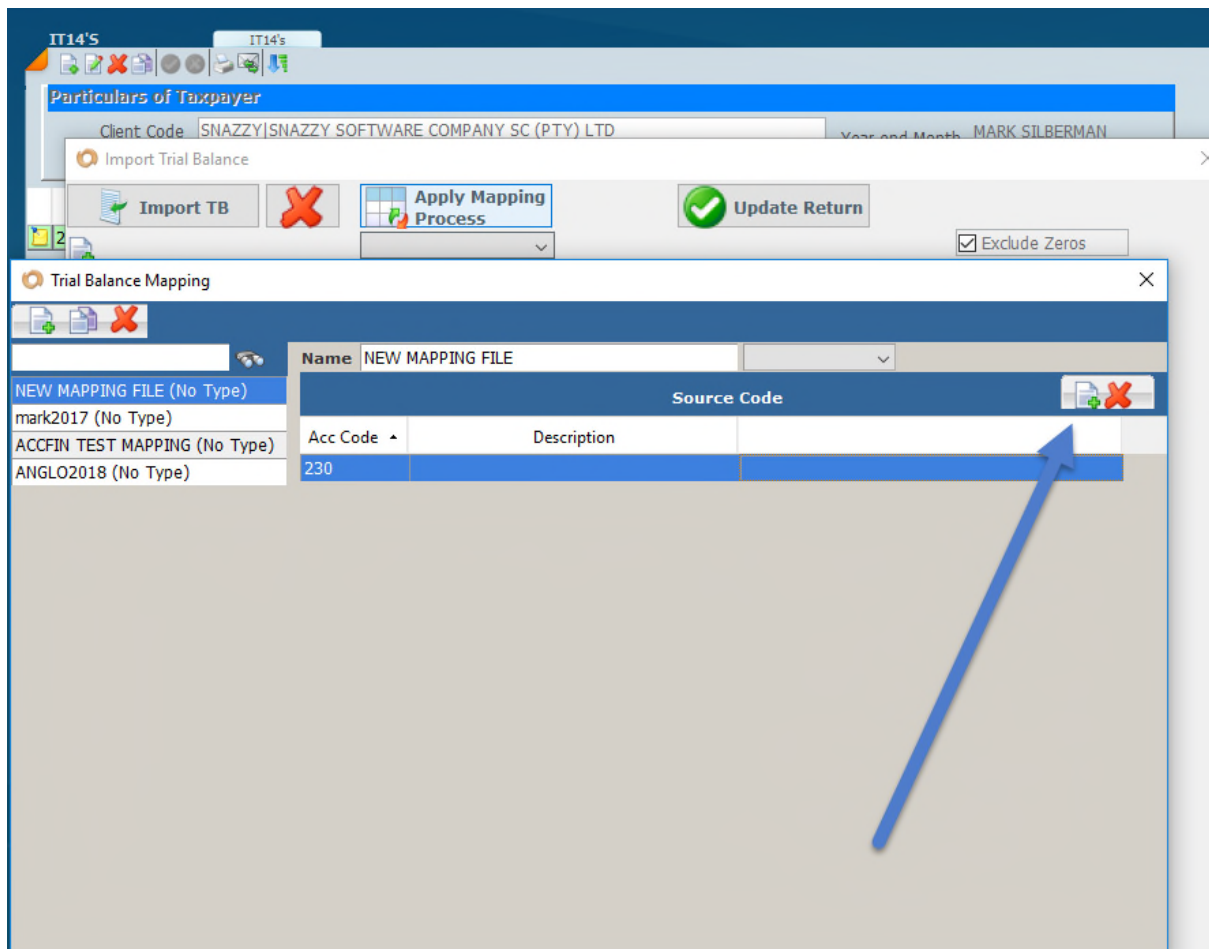
From now on in any particular year that you have mapped the files to the source codes and you get a trial balance for the following year, import the trial balance, and then click on **Apply Mapping Process** and the system will import the trial balance which has no source codes and apply the source codes from the previous year.

If you have pre-populated the source code column you can create a mapping file by clicking on the **Apply Mapping Process** which will display this following screen and then it is just a matter of creating a new file and filling the screen by matching each account code with the source code.

Click on the green plus and type in the name of the mapping file.



Once the name of the mapping file has been created click on the green plus on the right-hand side to add a line item for account code and source code.



CHECK RETURN

Please note the new check return button which will give you a list of all the items that the system detects in error.

The screenshot displays the SARS eFiling interface for a taxpayer named SNAZZY SOFTWARE COMPANY SC (PTY) LTD. The 'Particulars of Taxpayer' section shows the Client Code, Id/Reg No, Tax Number, and Year end Month. Below this is a table with columns: Year, Taxable Income, Total Tax, Tax Credits, Due, Status, Submitted, Container Type, and SARS. The 2018 row shows a Taxable Income of 10,262,947.00, Total Tax of 2,873,625.16, Tax Credits of 100,000.00, and Due of 2,773,625.16. The 'RETURN INFO' tab is active, showing 'Registered Details' and 'Dormant' sections. A 'Check Return' button is visible in the top right. An error message dialog is open, stating: 'Please check the following: Total income in income statement does not equal gross income on return info. Total Assets does not equal total assets on return info. Fields missing value on Partner details. Fields missing value on Capital Gains details.' The dialog has an 'OK' button. A blue arrow points from the 'Check Return' button to the error message dialog.

Particulars of Taxpayer

| | | | |
|-------------|---|----------------|----------------|
| Client Code | SNAZZY SNAZZY SOFTWARE COMPANY SC (PTY) LTD | Year end Month | MARK SILBERMAN |
| Id/Reg No | 828282828 | Tax Number | 9123456783 |
| | | February | SILBERMAN MARK |

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|------|
| 2018 | 10,262,947.00 | 2,873,625.16 | 100,000.00 | 2,773,625.16 | | | Large Business | |

RETURN INFO | Return Info | Financial Items | Financial info | Other Info | Tax Liability | e-Filing | Documents | Correspondence

Registered Details

☒ Have the banking, public officer and contact details been confirmed? (refer to guide)

Dormant

☒ Is the company dormant?

☒ Did the company become dormant?

Specify movement: R 1,000,000

Reason: **Ceased Operations**

Company Type (Medium Large)

☐ Is the company a body corp/share

Gross Income R 10,000,000 (Sales, Turnover + Other Inc)

Total Assets R 30,000,000 (Current + Non Current)

Type of Company

Normal

Company Information

☐ Is the Company a Personal Service Provider?

☒ Is the company resident in SA for tax purposes?

How many share classes have been issued: 2

☒ Were any dividends declared?

☒ Is the company part of a group of companies as per s1?

☒ Did company receive/pay any amounts to a non-resident?

☒ Is the company a headquarter company?

Specify the number of Customs registration numbers: 3

Main Industry Source Code: 80100 | Profit Code: 1898 Other not specified | Province: Gauteng

Profit Code Desc: MANUFACTURING

Check Return

Please check the following

- Total income in income statement does not equal gross income on return info.
- Total Assets does not equal total assets on return info.
- Fields missing value on Partner details
- Fields missing value on Capital Gains details

OK

CHECKS AFTER TRIAL BALANCE IS UPDATED

Check that the Control Total is zero.

IT14's

Particulars of Taxpayer

Client Code: SNAZZY[SNAZZY SOFTWARE COMPANY SC (PTY) LTD] Year end Month: MARK SILBERMAN
 Id/Reg No: 828282828 Tax Number: 9123456783 February SILBERMAN MARK

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS Status | Last Comm |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|-------------|-----------|
| 2018 | 10,272,947.00 | 2,876,425.16 | .00 | 2,876,425.16 | | | Large Business | | |

FINANCIAL INFO

Trial Balance Refresh Source Codes

Balance Sheet

| Non Current Assets | Current Assets | Capital Credits | Capital Debits | Non Current Liabilities | Current Liabilities |
|---|----------------|-----------------|----------------|-------------------------|---------------------|
| 233,259 (A) | 10,398,089 (B) | | | | |
| Capital and Reserves | | | | | |
| Credit Balances | 9,282,447 (C1) | | | | |
| Debit Balances | 0 (C2) | | | | |
| Non Current Liabilities | 1,014,761 (D) | | | | |
| Current Liabilities | 334,140 (E) | | | | |
| CONTROL TOTAL (A+B-C1+C2-D-E) | 0 | | | | |

Income Statement

Tax Computation

Tax Allowances

Check the net profit equals the profit in the financials.

IT14's

Particulars of Taxpayer

Client Code: SNAZZY|SNAZZY SOFTWARE COMPANY SC (PTY) LTD Year end Month: MARK SILBERMAN
Id/Reg No: 828282828 Tax Number: 9123456783 February: SILBERMAN MARK

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS Status | Last Comm |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|-------------|-----------|
| 2018 | 10,272,947.00 | 2,876,425.16 | .00 | 2,876,425.16 | ✓ | ✓ | Large Business | ✓ | ✓ |

FINANCIAL INFO

Trial Balance Refresh Source Codes

Balance Sheet

Income Statement

| Sales(Turnover) | 15,484,482 | |
|---|------------|--|
| Cost of Sales (excluding stock adjustments) | 377,531 | |
| Gross Profit / (-) Loss | 15,106,951 | |
| Income Items | 14,074 | |
| Expense Items | 4,548,078 | |
| NETT PROFIT / (-) LOSS | 10,572,947 | |

Sales Income Items Expense Items

| | | |
|---|-----------|------|
| Accommodation and travel expenses: Local | 0 | 4761 |
| Accommodation and travel expenses: Foreign | 0 | 4762 |
| Accounting loss on disposal of fixed / other assets | 0 | 4763 |
| Admin, mng, secretarial, rentals, quar fee, other Conn (t | 0 | 4516 |
| Admin, mng, sec, rentals, quar fee, other Connected (t | 0 | 4764 |
| Admin, mng, secretarial, rentals, other sev - non connec | 0 | 4564 |
| Alterations and improvements (excluding repairs and i | 0 | 4565 |
| Bad debts written off | 65,011 | 4547 |
| Capital improvements - farming operations(12 of the | 0 | 4765 |
| Commission paid | 0 | 4766 |
| Compensation for loss of office | 0 | 4566 |
| Consulting, legal and professional fees | 0 | 4518 |
| Depreciation | 185,090 | 4519 |
| Directors' / members' remuneration | 603,334 | 4569 |
| Donations - public benefit organisation (s18A) | 0 | 4576 |
| Donations - other | 0 | 4770 |
| Expenditure incurred directly or indirectly in effecting | 0 | 4771 |
| Emp exp: Wages & Salaries (excl. medical, pension, pr | 1,989,262 | 4529 |

Tax Computation

Tax Allowances

Check the provisional tax payments.

IT14's

Particulars of Taxpayer

Client Code: SNAZZY|SNAZZY SOFTWARE COMPANY SC (PTY) LTD Year end Month: MARK SILBERMAN
Id/Reg No: 828282828 Tax Number: 9123456783 February: SILBERMAN MARK

| Year | Taxable Income | Total Tax | Tax Credits | Due | Status | Submitted | Container Type | SARS Status | Last Comm |
|------|----------------|--------------|-------------|--------------|--------|-----------|----------------|-------------|-----------|
| 2018 | 10,262,947.00 | 2,873,625.16 | 100,000.00 | 2,773,625.16 | ✓ | ✓ | Large Business | ✓ | ✓ |

TAX LIABILITY

Current Years Taxable Income/(-)Calculated Loss: 10,562,947.00

Deduct: Assessed loss brought forward

CALCULATED INCOME / LOSS(A): 10,562,947.00

Taxable Capital Gain(B): .00

LESS: Donations Allowed(C): 300,000.00

Taxable Income (A+B-C): 10,262,947.00

Tax on Income: 2,873,625.16

LESS: Tax Credits: 100,000.00

89 Quat Interest

90% Rule Penalty Additional Tax\Penalty

TOTAL DUE: 2,773,625.16

Capital Gains

| Loss BFWD | This Year | Total Gain\Loss |
|-----------|-----------|-----------------|
| | 0 | 0 |

Donations

| BFWD | This Year | Total | CPWD |
|------|-----------|---------|------|
| | 300,000 | 300,000 | 0.0 |

Invoice