

FOREIGN TAX CLEARANCE CERTIFICATES

Supporting documentation

- The following documentation is required to obtain a Foreign Tax Clearance Certificate:
 - » Certified copy of the green bar coded South African Identity book.
 - » Completed FIA 001 application form (attached to the e-mail).
 - » Up to date statement of assets and liabilities (attached to the e-mail).
 - » Completed SARS Power of Attorney (attached to the e-mail).
 - » A bank statement showing the cleared funds, stamped by the clients bank and no older than one month.

- Please note:
 - » SARS will only issue an FTCC to an individual with a South African tax number.
 - » SARS will only process an FTCC application (FIA 001) when the client has a clear tax profile (no outstanding amounts or disputes).
 - » SARS will only issue a FTCC for the value of cleared funds stated in the bank statement supplied (whether it be held by a trust, lawyer or in the client's personal account) i.e. you cannot apply for additional future funds.
 - » The bank statement submitted needs to be the one stamped by the bank and not a copy.
 - » Bank statements need to be in the name of the applicant. If however a spouse uses a bank account in the other spouses name (i.e. do not have their own account or a dual account), an original signed letter will be required from the spouse holding the account, stating that the individual uses their account and the reason for doing so.

- In certain scenarios different supporting documentation will be required by SARS:
 1. **Individual with accrued savings**

The only variance to the above listed documentation is the bank statement needs to be for 3 months, demonstrating the accrued value in their account.
 2. **Individual has received a one off large payment**

When an individual receives large one off payments SARS will require the latest bank statement (no older than 1 month) showing these funds and supporting documentation as to the source of these funds. Examples of large one off payments and the supporting documents required are as follows:

2.1 Sale of a Property

- » The sale agreement with the conveyances distribution.
- » Stamped bank statement with the cleared funds in the account.
- » If the conveyances is holding the funds then an original letter from the attorneys stating they are holding the funds on the clients behalf, along with the sale agreement and the sale breakdown showing the value accrued to the client.

2.2 Loan from a Trust or Trust payment

- » This requires the trust resolution authorising the loan/beneficiary payout Signed by the trustees.
- » The authority letter or trust deeds showing that the individuals who signed as trustees have the relevant authority to do so.
- » Stamped bank statement showing the cleared funds.

2.3 Inheritance

- » The liquidation and distribution account showing the funds being accrued to the client by the estate.
- » Stamped bank statement showing the cleared funds.
- » If the client does not have a local bank account then a letter from the executor stating that the estate is holding the funds on your behalf with the supporting liquidation and distribution account. The original copy of this letter needs to be submitted.

2.4 Sale of a Business

- » The sale agreement with the corresponding payment into the client's account.
- » If a lawyer is holding the funds then the original lawyers letter stating that they are holding the funds on your behalf which matches the amount on the sale agreement of the business distribution.

If the payment has not been covered by the above scenarios please contact an TTC Taxgroup practitioner to discuss the scenario and clarify what supporting documentation will be required.

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