Global Template Configuration

South Africa

Last Updated: March 2018
## Revision History

<table>
<thead>
<tr>
<th>Date</th>
<th>Revision Notes / Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>26-Mar-2018</td>
<td>Updated Standard Rate of VAT from 14% to 15% Effective Apr-1-2018</td>
</tr>
<tr>
<td>01-Jan-2018</td>
<td>Initial Version Created</td>
</tr>
</tbody>
</table>
Disclaimer

The Concur Global Template consists of Expense configurations designed to support the most commonly known configuration and statutory requirements for supporting T&E best practices. The system includes support for specific statutory requirements based on our understanding of “common interpretation” gathered from our experience of in-country legislation through the deployment of Concur into this market. The Country Template represented in this guide is intended to provide customers with a starting point to aid in the deployment of their T&E solution, and should in no way be construed as tax or compliance advice for your business. The template configuration may need to be adjusted to match the requirements of your business, and any legal or statutory requirements should be confirmed with your company’s tax accounting and/or compliance departments before being authorized for configuration into your Concur Expense system.

Updates

Rates and/or regulatory requirements provided as part of the Templates are not guaranteed to be up to date, so any information provided should always be verified by the customer against the current government regulations. Updates are applied through on-going partnership with in-country Concur product marketing teams, liaison with implementing customers, and through collaboration across the various Concur implementation teams deploying in these countries.

The timing of updates can vary by country and feature. For example, certain countries provide regular annual updates to statutory travel allowance and mileage rates, while the rates in other countries are less frequently updated. VAT rate updates are typically less frequent or predictable and can occur at any time and are quite often dependent on broader economic situations. Tax authorities do however typically provide advanced warning where VAT rate or rule changes come into effect to allow businesses time to prepare.

Every effort is made to ensure that where updates are known to Concur that these are applied to the latest version of the template in a timely fashion. Where updates have been applied, these will be reflected in any available template documentation.
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Best Practice VAT Configuration Options

VAT Considerations

The Concur Global Template provides pre-configured VAT to support the statutory VAT requirements in South Africa. This will assist with ensuring that users enter the correct information before auditing to ensure compliance with the tax regulations for reclaiming VAT.

Concur provides recommended best practices for configuring the environment for South Africa based on the following model:

- Best Practice configuration options - specific data entry fields and audit rules (where applicable) to control compliance before the expense claim is audited or processed
- 3 Receipt Types (Tax Receipt, Receipt and No Receipt)
- 2 VAT Rates:
  - Standard – 15% (updated from 14% on April 1 2018)
  - Exempt/Zero - 0%
Expense Types with Special VAT Handling

There are no known special VAT conditions or data entry requirements for South Africa that would require special pre-configured tax handling in the template system.

In general, the zero rate of VAT applies to the following Expense Types:

- Airfare and Airline Fees
- Personal and Company Car Mileage
- Fuel
- Tips/Gratuities
- Bank Fees

The 15% Standard Rate (updated from 14% on April 1 2018) applies to all other Expense Types where not stated above.
Expense Types without Special Handling

**Standard** 15% (Updated from 14% on April 1 2018)
- Breakfast
- Car Maintenance/Repairs
- Car Rental
- Courier/Shipping/Freight
- Currency Exchange Fees
- Dinner
- Entertainment - Clients
- Entertainment - Staff
- Gifts - Clients
- Gifts - Staff
- Hotel
- Individual Meals
- Internet/Online Fees
- Laundry
- Lunch
- Marketing/Promotional Costs
- Miscellaneous
- Mobile Phone
- Newspapers/Magazines/Books
- Office Equipment/Hardware
- Office Supplies/Software
- Parking
- Passports/Visa Fees
- Postage
- Printing/Photocopying/Stationery
- Professional Subscriptions
- Public Transport
- Relocation Expenses
- Seminar/Course fees
- Taxi
- Telephone/Fax
- Tolls/Road Charges
- Train
- Tuition Reimbursement

**Zero/Exempt 0%**
- Airfare
- Airline Fees
- Bank fees
- Company Car Mileage
- Fuel
- Personal Car Mileage
- Tips/Gratuities
Exclusions

None

Expense Types Not Activated

The following are a list of standard Expense Types not activated for South Africa:

- Alcoholic Beverages
- Ex Pat Expenses
- Medical Fees

Customers who wish to activate these expense types must request this via their Concur Implementation Team.
Travel Allowance

Common Practice


**NOTE:** If customers wish to deploy a Company Specific Travel Allowance, this will require a scoping exercise working with your Concur Implementation Team.
Mileage Rates

Personal Car Mileage

Personal Car Mileage in South Africa is pre-configured with the following rates:

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Rate Per KM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car</td>
<td>3.55 ZAR</td>
</tr>
</tbody>
</table>

Effective as of January 1st 2017


Company Car Mileage

No statutory Company Car Mileage rates are configured as part of the Global Template for South Africa.
**Other Known Common Requirements**

**Cash Advance**

In South Africa, it is general practice to pay cash advance to employees who are going on a Business Trip and do not have a Corporate Credit Card.

The employee requests the cash advance prior to the trip and the company transfers the money to their account. Once they return from their trip the employee is required to submit their expenses against the advance received.

Each organization will determine if they require the employee to reconcile the entire cash advance amount against the specific trip or whether to allow them to carry over any remaining balance to the next trip.