

CHIEF REGISTRAR'S CIRCULAR NO. 6 OF 2005

ELECTRONIC ISSUING AND FILING OF TRANSFER DUTY RECEIPTS

1. IMPLEMENTATION OF ELECTRONIC SYSTEM

The South African Revenue Services ("SARS") has implemented a system whereby conveyancers will be able to submit transfer duty declarations and effect transfer duty payments electronically, via the Internet. This system enables SARS to electronically authorise the issuing of transfer duty receipts or exemption certificates and provide for extraction of such receipts or exemption certificates from the SARS website.

2. COMING INTO OPERATION OF ELECTRONIC SYSTEM

The new system came into operation on 1 April 2005. With effect from 1 April 2005 deeds offices must accept for registration purposes transfer duty receipts and exemption certificates extracted electronically from the SARS website (see examples attached). The 'old' transfer duty receipts may, however, still be accepted for purposes of registration during the transitional period (see paragraph 4 below).

3. VERIFICATION OF TRANSFER DUTY RECEIPTS

- 3.1. In order to verify a transfer duty receipt or an exemption certificate that has been extracted from the SARS website, deeds registries must call for a certificate upon the lodgement of such a receipt or exemption certificate. A certificate in the above-mentioned regard must be made on the transfer duty receipt or exemption certificate and must read along the following lines:

"Verification of Transfer Duty Receipt / Exemption Certificate

I, *..... hereby certify that this is a true copy of transfer duty receipt number/exemption certificate number ** that has been extracted from the SARS website (e-filing only).

DATE: CONVEYANCER/NOTARY/COMMISSIONER OF OATHS

* Insert full name of Conveyancer/Notary/Commissioner of Oaths

** Insert transfer duty receipt number / exemption certificate number

- 3.2. SARS has provided the above-mentioned wording for conveyancers and attorneys to be completed on the electronic receipts and exemption certificates. It must however be noted that the certificate must be given by a conveyancer, notary or commissioner of oaths.
- 3.3. It must be noted that SARS will also issue 'new' transfer duty receipts manually. A 'new' transfer duty receipt that has been issued manually must contain an endorsement from SARS as well as a cash register receipt.
- 3.4. 'New' transfer duty receipts that have been issued electronically must contain the certificate as referred to in paragraph 3.2 supra.

4. TRANSITIONAL PERIOD

- 4.1. SARS has provided for a transitional period during which 'old' transfer duty receipts will still be issued. SARS, however, will discontinue the issuing of 'old' transfer duty receipts in respect of transactions entered into on or after 1 May 2005. This means that 'old' transfer duty receipts may not be accepted for registration purposes, in respect of transactions which were entered into on or after 1 May 2005.

5. FORMAT AND INFORMATION IN TRANSFER DUTY RECEIPTS

- 5.1. Transfer duty receipts drawn off the SARS website will be in the format of a TD2 (Part 2), TD5 (Part 2), or TD6 document (*see examples attached hereto*). The TD2 relates to a transfer duty receipt/exemption certificate with the purchase of immovable property. The TD5 (Part 2) document relates to a transaction that is

subject to VAT and thus exempt from transfer duty. The TD6 document is an annexure (see paragraph 5.6 infra).

- 5.2. In order to accommodate SARS in the electronic issuing of transfer duty receipts and exemption certificates it was agreed upon between SARS and the Chief Registrar of Deeds that full details of the transferor, transferee and property description do not have to be reflected in TD2, TD4 and TD5 documentation. The information in the TD2, TD4 and TD5 documentation must, however, always be capable of being identifiable with the transaction it relates to. It is not necessary for the marital status of parties to be referred to in a TD2, TD4 and TD5 document. Where parties are married in community of property, the name of both the husband and the wife must be referred to. Based on the current format of the new transfer duty documentation, the details of the husband and wife will appear as separate parties. Abbreviations may also be used in TD2, TD4 and TD5 documentation.
- 5.3. Where a transaction relates to the registration of a servitude, a short description of the servitude must be referred to in the space provided for the property description.
- 5.4. Examiners must note that the provisions of Regulation 34(4) of Act No. 47 of 1937 must be adhered to in that the names of all the members of a firm or partnership must be referred to in respect of transactions in which a firm or partnership is a party.
- 5.5. Minor errors with regard to the description of a transferor, transferee and property description in TD2, TD4 and TD5 documentation may be rectified by means of a certificate by a conveyancer, or by the person who has signed the relevant certificate (see paragraph 3 above). Where a material amendment to the transfer duty receipt is required, such amendment must be affected and endorsed by SARS. Furthermore, no certificate may be accepted for purposes of any errors relating to the consideration and calculation of transfer duty/VAT in TD2, TD4 and TD5 documentation. Errors with regard to the consideration and calculation of transfer duty/VAT in TD2, TD4 and TD5 documentation must be referred to SARS for amendment and endorsement.

- 5.6. Where insufficient space is provided for in the TD2, TD4 and TD5 documentation for the description of the parties or property description, an Annexure (TD6) with the same receipt number as the TD2, TD4 and TD5 document to which it relates, must be attached and duly verified for purposes of registration.



CHIEF REGISTRAR OF DEEDS

DATE: 12 / 04 / 2005 .

REFERENCE: A 6/2/P

RINGBINDER 44

CHIEF REGISTRAR OF DEEDS

REGISTRARS OF DEEDS

THE CHIEF: JUSTICE TRAINING

DIRECTOR: LAW SOCIETY OF SOUTH AFRICA : PRETORIA

MANAGER: BUTTERWORTHS PUBLICATIONS : DURBAN

CHAIRPERSON: PROPERTY LAW COMMITTEE : PRETORIA



Receipt or exemption certificate
Transfer Duty Act, 1949

Details of seller(s)/transferor(s)

Full name of seller/transferor (1)	
Identity/Trust/CC/Company number	
Full name of seller/transferor (2)	
Identity/Trust/CC/Company number	

Details of purchaser(s)/transferee(s)

Full name of purchaser/transferee (1)	
Identity/Trust/CC/Company number	
Full name of purchaser/transferee (2)	
Identity/Trust/CC/Company number	

Details of purchase transaction

Transfer Duty payable on	R	being total consideration		or fair value	
Date of acquisition	C C Y Y - M M - D D	Bought by:	Private treaty	Public auction	
Consideration	R	SARS reference			
Any other consideration payable	R	Conveyancer's/Attorney's file reference			
Total consideration	R				
Description of property (as per Deeds Registry)					

Declaration by Conveyancer/Attorney

I (full name) hereby certify that this is a true copy of the transfer duty receipt /exemption certificate, drawn from the SARS website (e-filing only).

Signature C C Y Y - M M - D D Date

RECEIPT/EXEMPTION



Details of seller/transferor

Full name of seller/transferor										
Identity/Trust/CC/Company number						VAT number	4			

Details of purchaser/transferee

Full name of purchaser/transferee										
Identity/Trust/CC/Company number						VAT number/Income Tax number				

Details of sale transaction

Date of transaction			Bought by:	Private treaty	Public auction
Consideration	R				
Description of property (as per Deeds Registry)					
Physical address					Postal code
Property is:	Improved	Unimproved			
Nature of property:	Primary residence	Other residential property	Small holding	Farm	
	Commercial building	Industrial building	Other, specify		

Calculation of VAT payable

VAT rate	Standard	Zero
1. Payment of the VAT is tendered herewith	R	
2. The output tax will be declared in the VAT201 return for the	period	R
3. The supply is that of a going concern which qualifies for the zero rate	R	

Declaration by Conveyancer/Attorney

I (full name) hereby certify that this is a true copy of the transfer duty receipt /exemption certificate, drawn from the SARS website (e-filing only).

Signature Date

RECEIPT/EXEMPTION

