



**DATE:** 11 September 2009  
**NOTICE NUMBER** 24/2009  
**SUBJECT:** VAT Deregistration  
**IMPORTANCE:** HIGH

Dear Practitioner

SARS would like to inform you that VAT vendors who do not meet certain requirements of the VAT Act will have their registrations cancelled or suspended. Specifically affected are:

- Non-compliant VAT vendors who have failed to submit monthly VAT 201 returns for prolonged periods.
- VAT vendors whose VAT 201 returns for the last 12 months reflect a liability of zero i.e. these returns show no evidence of taxable supplies being made.

In terms of Section 24(5) read with Section 23(3) of the Value-Added Tax Act, 89 of 1991, the Commissioner is empowered to suspend or cancel the registration of a VAT vendor where he is satisfied that the requirements of the Act are no longer being complied with.

SARS has identified the vendors that meet these criteria and will be sending them letters on Monday, 14 September by post and via email (for eFilers) to inform them of the cancellation or suspension of their registration with immediate effect.

These businesses will no longer receive VAT return forms and **may no longer make use of their VAT vendor number**. They will be audited and a formal deregistration process will be followed in order to take them off the VAT register.

If the business wants to remain registered as a VAT vendor the owner or an authorised representative will be required to re-apply in person at the nearest SARS branch in accordance with the VAT registration requirements which were introduced last year.

These include a validation of the vendor's business and trading information, proof of identity and evidence that the vendors are actually engaged in business activities such as invoices for the purchases and sales/ turnover he made in the past twelve months. A physical inspection of the business premises may also be required.

For further information please visit your nearest SARS branch or call the SARS Contact Centre on 0800 00 SARS (7277).

Regards

For tax-specific queries, please contact us on:  
0860 12 12 19  
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For queries about practitioner-specific policies or strategies, please contact us at  
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