TAX RISK INSURANCE

Effective insurance against SARS tax audits and related disputes.

This brochure is a summary of the most important aspects of the tax risk insurance cover. It does not change, add to, or take away from the cover described in the tax risk insurance policy wording and schedule in any way, which policy wording and schedule shall prevail should there be discrepancies.

WHO SHOULD BE COVERED?

- Companies
- Trusts
- Business owners and directors
- High net-worth individuals

WHY?

- SARS is conducting more tax audits which lead to more disputes.
- Having a great tax accountant no longer guarantees that you won't get selected for audit.
- Audits and disputes can be complex, stressful and costly. This is definitely not a time for DIY!
- Many tax reassessments are irrational, and SARS doesn't always follow procedures and timelines.
- Taxpayers have rights, but you'd need to know how to access them.

HOW DOES IT WORK?

If you, your business or your trust is ever selected for audit by SARS, or if there is a dispute about a tax re-assessment in terms of which SARS is demanding additional taxes from you, then tax risk insurance will appoint and pay for a team of top tax professionals to deal with the matter - ensuring a fair and favourable tax audit and dispute outcome. This team may include:

- Accountants
- Auditors
- Tax attorneys
- Tax specialists
- Tax advisors

whichever may be required to ensure a fair outcome.

Your own tax accountant will be a central part of the team, and the fees will be paid for services during the claim.

BENEFITS

- ✓ Removes the uncertainty of an unexpected SARS audit or related dispute.
- ✓ Affordable monthly premiums.
- ✓ You can claim more than once per annum.
- ✓ Cover is retrospective, and there are no waiting periods.
- ✓ Some of SA's best tax specialists are appointed to represent you during claims.
- ✓ Your own accountants' fees are covered for the duration of the claim.
- ✓ Peace of mind when you need it most

An excess of 10% of the claim amount, minimum R1 500 is payable in the event of any claim.

EXCLUSIONS SUMMARY

The following is a summary of the most important aspects not covered by tax risk insurance:

- Audits and disputes which commenced prior to inception of policy.
- Matters where fraud or crime is involved, e.g. tax evasion.
- Audits as a result of the late submission of tax returns without an extension.
- Matters relating to income generated outside of South Africa, except for individuals who are SA tax residents.
- Costs associated with the normal preparation of tax returns and supply of routine supporting information.
- Matters relating to customs and excise, exchange control, transfer pricing and other international taxes.
- Taxes, interest, penalties or fines legitimately imposed by SARS.
- Employment Tax Incentives.

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info@taxrisk.co.za

Tax Risk Underwriting Managers (Pty) Ltd is an authorised FSP no 46467. Underwritten by Bryte Insurance Company Limited, a licensed insurer and authorised FSP 17703.

PROPOSAL FORM & DECLARATION
TAX RISK INSURANCE - CLASSIC

taxrisk underwriting managers

Send completed proposal forms to info@taxrisk.co.za. Each taxpayer requiring cover must complete a separate proposal form.

Protection of Personal Information

The Protection of Personal Information Act 4 of 2013 ("PoPI") gives effect to your constitutional right to privacy in relation to safeguarding your personal information when processed by a responsible party, namely Tax Risk Underwriting Managers (Pty) Ltd. In this regard you give us consent to retain your personal information and to use and share this information with legitimate sources only for the purpose of this insurance contract. Should you decide to cancel this insurance contract you further consent to us retaining the information in line with the legally permitted retention period, for statistical and reporting purposes only. We confirm that we are committed to ensuring that your information is kept confidential and that we have implemented appropriate measures to prevent loss, damage, unauthorised and unlawful access thereto. Should you, at any point, wish to revoke this consent/authorisation, please contact us or your broker. The appropriate action will be taken in line with your request.

Insured Information

Enter your company details if you're a company, your personal details if you're an individual, or your trust details if you're a trust. Liability only attaches if the legal name is correct on the policy. The legal name should be a recognised legal entity, i.e. a person, a sole proprietor, trading as, a Pty (Ltd), a Trust, or a CC etc. The policy covers this one legal entity only.

Insured name			
Registration or ID number		Tax Type	Individual / Company / Trading Trust / Holding Trust
Business description or Occupation			
Tax reference number			
Your annual turnover (for companies & trading trusts) or annual taxable income (for individuals)	R		
Physical address			
		Code	
Contact details	Cellphone	Telephone	
E-mail address			
Name of your accountant / auditor		Telephone	
Name of your insurance broker		whom I hereby appoint as my financial services provider in terms of this insurance policy, as from the inception date of the policy until cancelled by me or the broker.	
Policy inception date		Premium payable R (see premium rates on page 2)	including 20% broker commission

Debit order authority

Name of bank			
Branch		Branch code	
Account number		Account type	
Account holder name			

Cover is provided subject to your full disclosure of all material information affecting the risk, whether asked for or not.	Yes	No
Are you currently undergoing an investigation by SARS?		
Have you, during the past 3 years, been exposed to a SARS tax audit or related dispute?		
Are any of your tax returns or tax payments overdue?		
Have you submitted any tax return after the filing deadline without receiving an extension in writing from SARS?		
Do you have any overdue outstanding debt with SARS?		
Have you previously applied for tax amnesty from SARS?		
Have you recently applied for a tax clearance certificate which was not granted by SARS?		
Do you know of any current reason or circumstance which could give rise to a claim or increase the risk of a claim under this policy?		

If your answer to any of these questions was "yes", or if you have any other material information to disclose which may affect the risk of a claim or our decision to accept your cover, please elaborate:

Declaration and Consent: I, the undersigned, hereby authorise the Insurer to draw against the above account the amount necessary for the payment of the monthly premiums and adjustment premiums due to the Insurers in respect of the insurance herein proposed. I agree that in the event of any debit order not being met by my financial institution the Policy will be cancelled and of no effect from midnight on the last day of that month for which the Insurer has received premium, subject to the period of grace as described in the Policy Wording. I hereby warrant that all the statements included on all the pages of this Proposal From are true, accurate and complete and contain all information known to me which may affect the risk to be insured under this Policy, and that this and any other written statement made by me or on my behalf for the purpose of the proposed insurance shall be the basis of, and incorporated in the contract between myself and the Insurer. I agree to accept the insurance on the terms and conditions set forth in the Policy wording, Schedule and any endorsements as applicable.

Date

Name and signature of duly authorised applicant

Underwritten by

Bryte

Bryte Insurance Company Limited
A Fairfax Company

Registration Number 1965/006764/06
A licensed non-life insurer and authorised financial services provider FSP 17703
Rosebank Towers, Fifth Floor, 15 Biermann Avenue, Rosebank 2196
Phone: +27 (0)11 088 7000

Administered by

taxrisk underwriting managers

Tax Risk Underwriting Managers (Pty) Ltd

Registration Number 2014/086896/07
An authorised financial services provider FSP 46467
152 Bryanston Drive, Bryanston, Sandton, 2191
Phone: +27 (0) 86 147 3738 | Email: info@taxrisk.co.za

RATES & INDEMNITY LIMITS
TAX RISK INSURANCE - CLASSIC

If you are a company or a trading trust, then your insurance premium is dependent on your annual turnover in the last financial year. If you are an individual, then your insurance premium is dependent on your annual taxable income. If you are a passive holding trust, then your premium is a fixed amount irrespective of the assets held in the trust.

Rates include VAT and 20% broker commission. Enter your monthly premium in the space provided on the Proposal Form.

Companies
including sole traders

Annual turnover (last financial year)	Monthly premium	Annual aggregate indemnity limit, limited to 100 hours for any one claim.
Less than R 3,000,000	R 265	R 250,000 or 50 hours, whichever is lesser
R 3,000,000 to R 10,000,000	R 415	R 300,000 or 100 hours, whichever is lesser
R 10,000,000 to R 25,000,000	R 595	R 500,000 or 150 hours, whichever is lesser
R 25,000,000 to R 50,000,000	R 1 060	R 750,000 or 200 hours, whichever is lesser
R 50,000,000 to R 100,000,000	R 1 540	R 1,000,000 or 300 hours, whichever is lesser
More than R 100,000,000	Contact us for custom pricing and underwriting.	

Individuals
excluding sole traders

Annual taxable income (last tax year)	Monthly premium	Annual aggregate indemnity limit, limited to 50 hours for any one claim.
Less than R 2,000,000	R 249	R 100,000 or 50 hours, whichever is lesser
R 2,000,000 to R 5,000,000	R 355	R 300,000 or 100 hours, whichever is lesser
More than R 5,000,000	Contact us for custom pricing and underwriting.	

Trading Trust
A trust that actively carries on trading, or is used in the conduct of business

Annual turnover (last financial year)	Monthly premium	Annual aggregate indemnity limit, limited to 50 hours for any one claim.
Less than R 3,000,000	R 210	R 250,000 or 50 hours, whichever is lesser
R 3,000,000 to R 10,000,000	R 295	R 250,000 or 100 hours, whichever is lesser
R 10,000,000 to R 25,000,000	R 480	R 250,000 or 150 hours, whichever is lesser
R 25,000,000 to R 50,000,000	R 685	R 250,000 or 150 hours, whichever is lesser
R 50,000,000 to R 100,000,000	R 1,170	R 250,000 or 150 hours, whichever is lesser
More than R 100,000,000	Contact us for custom pricing and underwriting.	

Passive Holding Trust
A trust which holds assets for passive investment income only

	Monthly premium	Annual aggregate indemnity limit, limited to 50 hours for any one claim.
All passive holding trusts	R 292	R 250,000 or 100 hours, whichever is lesser

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version 07_2024