AITKEN LAMBERT ELSWORTH
CHARTERED ACCOUNTANTS (S.A.)

With Compliments

5A Rydall Views
Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia Ridge, 4051

Tel: 031 202 7601
Tel: 031 277 2740
Fax: 031 202 7663
Email: info@aitkenlambert.co.za
Website: www.aitkenlambert.co.za

Directors: CC Elsworth, A King and AG Wiggill

CA(SA) CHARTERED ACCOUNTANT SOUTH AFRICA

Forward email

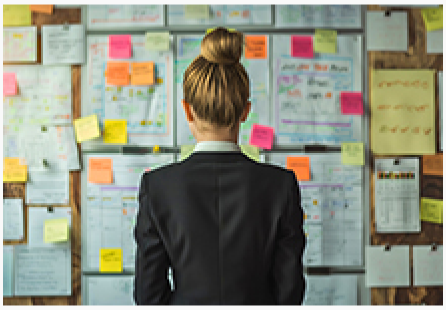
Keeping you in touch AccountingDotNews

In this Issue

March 2025

6 Signs it Might be Time to Pivot

"The measure of intelligence is the ability to change." (Albert Einstein)



Change can be uncomfortable and often we humans love to avoid it. In business, however, being brave enough to embrace change could be the difference between going under and thriving. All business owners should be constantly on the lookout for opportunities to improve their products, services or offerings.

A good pivot into a new area, technology or even target customer base could be just the ticket your business needs to position itself for

Subscribe

a very bright future. But how do you know when it's time to change tack? Look out for these six signs…

1. **These are not the results you were looking for**

   Achieving results takes time. But if you've held the line consistently for a year and the business isn't expanding – or worse, is in decline – it's probably time for a change. Don't let emotions take over – now is the time to be honest with yourself and take a long, hard look at your marketing plans, and your product. Most good pivots don't come from hard shifts but from subtle changes to products and offerings. If the customers aren't biting, now is the time to ask them why.

2. **The market has changed**

   We live in an era of technological advancement and massive change. If you're still doing things the way you did them five years ago (or perhaps even a year ago, depending on the industry) it might be time to start looking at changing. As a business owner, you need to constantly make adjustments to your service or product to suit changing market conditions. If a new technology or way of doing business has popped up, you need to understand how it impacts your business and develop a plan to match the new conditions. If you can't, then it may be time to think about moving into an entirely new industry or shutting down entirely.

3. **People can't see your vision**

   In business, we often speak about the elevator pitch – the quick two-minute description of what your business does and how it does it differently. If your elevator pitch is generally met with blank stares, and you never get enthusiastic responses, then you either need a new elevator pitch or a new business model.

4. **You're constantly exhausted**

   Working hard to get a new business going is par for the course, but if you're putting in the hard hours and it's not catching on, then something is going wrong. The pivot you need may be something as simple as better marketing, or a slight adjustment to your product – but it's important to act sooner rather than later.

5. **You've got cash flow issues**

   Temporary cash flow issues are one thing, but if you're permanently battling, then something has gone wrong. Perhaps your pricing structure is wrong, or perhaps you are in the wrong game altogether. Persistent cash flow issues are a sign that you need to rethink your business model.

6. **New opportunities arise**

   Even if you're doing fine, there may come a time when a better opportunity crops up. Is there a new product in a related field that makes more sense? Can you add something new to your service offering that would make more impact? Don't miss out on new opportunities because you're still fixating on the old ones.

Next steps

If you feel like any of this applies to you, your first port of call needs to be to your accountant. We can help you with pricing models, trimming costs and rebalancing your budgets. Or we could even help you to free up the funds you need to take your business in a whole new direction. Our door is always open.

Disagree with SARS? Here's How we Can Assist You

"When taxpayers are aggrieved by an assessment or a decision that is subject to objection and appeal, they have a right to dispute it." (SARS)

As a taxpayer in South Africa, you have the right to dispute tax assessments, if you have valid reason to disagree with SARS on the interpretation of either the relevant facts involved, or the laws that apply to the facts, or both.

SARS has a well-established dispute resolution process – but it is also time-consuming and often complex, with strict deadlines and a substantial amount of administration.

Here's how we can help you manage the timelines and process for a (hopefully) successful dispute against a SARS assessment, including those that create unmanageable tax liabilities.

A solid foundation is paramount

- Before lodging an objection, it's crucial to make a Request for Reasons for a SARS assessment, which will detail SARS' findings of fact and the law it applied. You need this to build a solid objection.

- All substantiating documentation required for the objection must be collated, as it must be submitted with your objection within the objection period.

- It's also important to ensure your other tax affairs are compliant, as your overall tax compliance status can influence SARS' decision-making process
.

- Maintaining updated contact details with SARS, checking your compliance status regularly, and reacting promptly to notification emails or SMSes from SARS are all vital – but we can take care of this for you.

Pay now, argue later

Where a disputed assessment involves a tax debt, the debt must be paid even if you are submitting an objection, thanks to SARS' "pay now, argue later" principle. This is often a substantial challenge for taxpayers.

If you want to avoid paying immediately, a "Request for Suspension of Payment" must **also** be submitted timeously, in a separate process. If granted, this will prevent SARS from commencing collection proceedings on the outstanding amount until the objection is finalised.

Ducks in a row

Submitting a tax objection is a serious business. The validity and strength of the arguments and evidence to be presented in the objection should be carefully – and objectively – evaluated.

The objection must detail the grounds on which the assessment is disputed, set out the parts or amounts in dispute and, depending on the nature of the dispute, address penalties and interest incurred. Substantiating documentation that provides evidence for the objection must be collated and submitted to SARS within the objection period.

The bottom line: professional tax expertise is highly recommended when drafting an objection.

Keep to tight deadlines

Meeting the tight timelines is crucial for protecting your right as a taxpayer to dispute an assessment. By acting quickly and meeting deadlines, we can help you to ensure the best chances of resolving the dispute favourably.

Important deadlines include:

- You have 30 business days after the date of assessment to make a Request for Reasons, which will extend the period within which an objection can be lodged.
- The law allows 80 business days to file a Notice of Objection (NOO) against a SARS assessment or decision, starting on the date of assessment, or, where a Request for Reasons was made, from the date of receiving the reasons requested from SARS.
- 30 business days from the date of the outcome of your objection, a Notice of Appeal can be submitted if the objection is disallowed or partially allowed.

If you have missed a deadline due to valid reasons, we can help you request an extension – although ideally you should request an extension before missing a deadline.

Monitor and manage the dispute process

To protect your rights in a tax dispute, it's important to manage the dispute process to ensure SARS adheres to set time frames and service expectations. SARS is obliged to:

- respond to a Request for Reasons within 45 business days.
- request additional substantiating documents for an objection within 30 business days.
- where SARS requests additional documents for an objection, notify the taxpayer of the outcome within 45 business days of the submission deadline or delivery date of the requested documents.
- where SARS does not request additional documents for objection, advise the taxpayer of the outcome of the objection, together with its reasons, within 60 business days of the objection.

- issue an assessment within 45 days after a settlement is reached.

If the outcome of an objection is not acceptable, a Notice of Appeal can be filed, and Alternative Dispute Resolution (ADR) can be considered. We can assist you to request for an ADR from SARS, as this may provide for a more cost-effective and expedited dispute resolution process.

Matters that cannot be resolved by ADR can be referred to either the tax board or tax court, depending on the disputed amount and the complexity of a case. If the outcome of an appeal to the tax board or tax court is not satisfactory, an appeal to the High Court or Supreme Court of Appeal may also be possible.

Tax expertise at your fingertips

Tax disputes can be complicated and time-consuming, and missing the deadlines can erode your right as a taxpayer to object to an assessment.

We can guide you through the steps, ensuring you meet all the requirements and deadlines and greatly increasing your chances of a positive outcome.

How to Save Big on Corporate Travel in 2025

"He who buys what he does not need, steals from himself." (Swedish Proverb)

Many think of corporate travel expenses as being a non-negotiable, and expensive part of doing business. The thing is, it is possible to cut back on travel expenses without cutting out the necessary requirements and little luxuries. Here are our four top tips for saving money on your corporate travel account.

1. **Plan ahead**

   Most corporate travel is not an emergency. Whether you need to pitch to new clients in London, attend a conference in Los Angeles or visit a supplier in China, proper planning can save a great deal of money. All travel expenses increase the closer you get to the departure date. Simply looking at the necessary travel for the year ahead, scheduling it in advance and booking comfortably ahead of time will save you a significant amount. Flights are generally at their cheapest between 30 and 60 days before departure.

   Taking this one step further, you can also make sure you aren't travelling during peak times. If you need to visit your clients every second month, make sure your trips don't coincide with large conferences or entertainment events as these can drive up hotel costs.

For domestic travel it makes sense to try and fly on Tuesday, Wednesday or Thursday, as flights are generally cheaper than on other days. Early morning or early afternoon flights (before 3 PM) are not only cheaper, but also tend to have fewer delays and cancellations – which means there's less chance of additional accommodation or car hire charges.

2. **Set up a travel policy**

   In order to effectively plan ahead and book all that's needed, you need to implement a company-wide travel policy. This policy should cover all aspects of travel including:

   - The booking process for accommodation, flights, transfers, vehicle rentals and everything else.
   - Expenses and meal allowances.
   - The approval and reimbursement process.

   Making sure everyone is on the same page when it comes to travel means there are no unnecessary or unexpected expenses. As your accountants, we can help you to construct a travel policy that aligns with your budget and cash flow.

3. **Be as loyal as possible**

   Hotels and airlines offer loyalty programs that reward their most frequent travellers with perks like airport lounges and dining discounts, but they also offer important benefits for the business. Airline loyalty members often get to cancel their bookings or change dates at a reduced fee, and the frequent flyer miles and rewards can add up to other free travel benefits. Hotels are much more forgiving on loyalty members when it comes to late and early check-ins and room upgrades. And they typically offer a guaranteed discount on their room rates.

4. **Use an agent**

   Travel agents are basically a free (or at least very cheap) service for the people who use them. Often the prices are the same whether you book yourself or do it through an agency because the agent commissions are already built into the prices of the rooms, flights and car rentals. Booking with an agent can save your HR, receptionist or PA valuable hours that could be put into something more productive.

   Agents are already experts so paying them a small service fee (if required) to keep them on your books will allow them to search further for the best possible prices and benefits using their back-end travel systems. This may not save you money on flights as the airlines are generally pretty transparent, but it can make a big difference on insurance, car rental and accommodation. Agents are also much more likely to be able to wangle last-minute refunds or changes.

   If your company is really big (or if you and your staff travel a lot) it may make sense to allow a corporate travel specialist to manage all of your travel requirements.

Bon voyage!

Corporate travel can be a very good investment – but there's no reason to pay more than you should. Speak to us if you want any help trimming your business travel costs.

5 Things to Consider When Buying vs Leasing Equipment

"I do not gather things, I prefer to rent them rather than to possess them." (Jerzy Kosinski, Polish-American writer)

Deciding whether to buy or lease equipment can sometimes seem like an impossible choice. There are so many factors at play that it can feel like whatever you do will be wrong. We've put together a short list of five things to consider that should make the process a little easier.

1. **When do you need the money?**

   Leasing has lower up-front costs than buying, but in the long term could end up costing your company more. Leasing can make it easier to conserve working capital and maintain a stronger cash flow, especially in the early days. However, if you buy, you will eventually pay the equipment off meaning your long-term costs will drop.

2. **Are you going to need to upgrade?**

   Will the equipment you are looking for need to be upgraded? Or is it something you can use, as is, for years? Leasing equipment often comes with the option of upgrading it on the spot when newer versions come out. This gives companies more flexibility and the chance to be fully up-to-date at all times. If you're sure of the long-term efficacy of a machine, however, it may make more sense to buy.

3. **Are there tax benefits?**

   Some products will provide more benefits come tax time than others with deductions on offer for both leasing and buying. As your accountants we can help you to understand the exact implications of renting/buying your particular equipment and the amount and timing of tax relief that is available.

4. **Do you want to pay for maintenance?**

   Leasing equipment can often mean that you don't have to worry about maintaining it. While this will undoubtedly be built into the cost of your leasing contract, there's great comfort in knowing that the maintenance is taken care of – and that if something goes really wrong you can get an immediate replacement. Do just check your lease agreement for any exclusions or restrictions – there is often an exclusion for "damage due to client negligence," for example.

5. **Do you need to customise your equipment?**

   If you lease your equipment, you probably won't be able to customise it. It makes sense that the rental company needs to be able to lease the equipment to someone else when you're done with it. If you own a machine you can generally do with it as you like, meaning you can take care of your special requirements.

The bottom line

Choosing between leasing and buying ultimately depends on your business' unique set of circumstances. **To get the best advice please consult with your accountant – we'll be able to lay out all the financial repercussions of your decision.**

Your Tax Deadlines for March 2025

- 07 March - PAYE submissions and payments
- 25 March – VAT manual submissions and payments
- 28 March – Excise duty payments
- 31 March – End of the 2023/24 Financial year, VAT electronic submissions and payments, & CIT Provisional Tax payments where applicable.

Note: Copyright in this publication and its contents vests in DotNews - see copyright notice below.

A Client Connection Service by DotNews

© DotNews. All Rights Reserved.

Disclaimer

The information provided herein should not be used or relied on as professional advice. No liability can be accepted for any errors or omissions nor for any loss or damage arising from reliance upon any information herein. Always contact us for professional, detailed and appropriate advice.