

2 April 2019

Valued client

Good day

SAVING TIME, SAVING MONEY (6)

All clients, please read further:

*If you are not a client, you do not need to read further.
This is not compulsory reading for all clients.
Not only relevant to South African circumstances.
No afrikaans version of this e-mail available.*

The processing of paper-based medical slips, to be used in the tax calculations of individuals to determine their income tax payable, generally takes up significant time. This due to the practical nature of dealing with paperwork of all shapes and sizes. This time (and costs) can be saved in two ways:

The easiest way to save the unnecessary cost of processing medical slips, is to simply submit all such medical slips to your medical aid fund, even if you know beforehand that the medical aid fund will not allow you the benefit thereof. The medical aid fund will still process the claim and confirm that you have to pay it yourself. After year-end, the medical aid fund will issue a tax certificate with the total of all medical payments paid by yourself. In stead of processing multiple medical slips, the single tax certificate from the medical aid fund is generally accepted by SARS as evidence of your medical expenses for the taxyear.

A second way to save the unnecessary cost of processing paper-based medical slips, is to simply submit such slips to our firm in electronic format, as this will greatly assist us in the further processing of these slips.

A third possibility is to pre-determine whether such medical expenses will actually have an effect on your income tax payable. In some limited cases, processing these slips will have no effect on your income tax payable, normally when your income tax payable is already under the tax threshold. In such cases, the cost of processing these slips will be more than the tax benefits received.

Please contact us, should you require any further advice or assistance.

Regards

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