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## **MEDIA STATEMENT**

### **PUBLICATION OF THE DRAFT REGULATIONS AND DRAFT EXPLANATORY MEMORANDUM ON DOMESTIC REVERSE CHARGE ON VALUABLE METALS IN TERMS OF SECTION 74 OF THE VALUE ADDED TAX ACT, 1991 (ACT NO. 89 OF 1991) FOR PUBLIC COMMENT**

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The National Treasury and the South African Revenue Service (SARS) today publish, for public comment, the Draft Regulations and Draft Explanatory Memorandum on Domestic Reverse Charge on valuable metals in terms of section 74 of the Value-Added Tax Act, 1991 (Act No. 89 of 1991) (the VAT Act). The Draft Regulations are in line with the announcements made by the Minister in Annexure C of the 2020 and 2021 Budget Reviews.

The Draft Regulations introduce a Domestic Reverse Charge Mechanism and apply in respect of supplies of defined valuable metals between vendors, and make provision for the purchasing vendor to declare and pay to SARS the VAT charged on the acquisition of defined valuable metals and claim the input tax thereon, within the same tax period or within 12 months after the end of the tax period in which the tax invoice was issued.

The Draft Regulations prescribe additional requirements for the tax invoice, administrative matters as well as additional responsibilities for both the supplying vendor and the purchasing vendor.

The Draft Regulations and the accompanying Draft Explanatory Memorandum containing a comprehensive description of the proposed amendments, can be found on the National Treasury ([www.treasury.gov.za](http://www.treasury.gov.za)) and SARS ([www.sars.gov.za](http://www.sars.gov.za)) websites.

#### ***Due date for public comments***

National Treasury and SARS hereby invite comments in writing on the Draft regulations and Draft explanatory memorandum on Domestic Reverse Charge on valuable metals in terms of section 74 of the VAT Act.

Please forward written comments to the National Treasury's tax policy depository at [2020AnnexCProp@treasury.gov.za](mailto:2020AnnexCProp@treasury.gov.za), and SARS at [acollins@sars.gov.za](mailto:acollins@sars.gov.za) by the close of business on **6 November 2021**.

**Issued by National Treasury**  
**Date: 6 October 2021**