

Tax Risk Insurance



Effective Insurance Protection Against SARS' Tax Audits And Related Disputes

The risk of a SARS' tax audit is real. Cover against a SARS' audit has become a top priority.

Why Tax Risk Insurance?

Tax Risk Insurance product has been created to protect you, the taxpayer, against the risks associated with tax audits and related disputes from SARS. Tax Risk Underwriting Managers will appoint and pay for a team of top tax professionals if you or your business is selected for audit, giving you the peace of mind of having some of South Africa's leading tax experts on your side when you need it most.

Who should be covered?

- . Small to medium-sized companies
- . Trusts
- . Owners of small to medium-sized companies
- . Individuals

What is Tax Risk Insurance?

Tax Risk Insurance is simply the most effective protection for you and your business if you are ever selected for an audit by SARS. When you are covered by a Tax Risk Insurance policy, Tax Risk Underwriting Managers will manage your tax audit, immediately. Critically for you, the cost of employing top tax specialists to defend your case are covered by Tax Risk Underwriting Managers from the word go.

Why are taxpayers at risk?

Tax audits are part of the SARS mandate, to ensure compliance and to maximise tax collections. SARS reported that it exceeded its audit coverage targets last year, conducting more than 2 million tax audits. This is the unnerving reality – SARS are now auditing more taxpayers more often – and statistically, you could be next.

So how do I get selected for audit?

Even if you believe, like most people, that your taxes are up to date and accurate, SARS can still select you for an audit. Some audits are completely random. In other cases, SARS may put a case forward that you've underpaid your taxes, or a human error may have been discovered. The reality is that even if you employ the best accountants in the world, you may still get selected for audit. The fact is, any SARS audit is always best handled by qualified experts in their field.

Tax Risk Insurance gives you the cover that you need if you are being audited by SARS'.

TRU will provide cover in the following matters:

- . Income tax audits.
- . VAT audits.
- . Employees tax audits.
- . Capital gains tax audits.
- . Dispute resolution hearings and appeals to the Tax Board and the Tax Court.

How much does it cost?

Premiums are dependent on your annual taxable income for personal taxpayers, or annual turnover for companies. Ask your Aon broker for a quotation.

The experts all agree: “South African taxpayers are financially exposed to the risk of a SARS tax audit.”

Why?

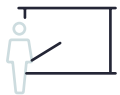
- SARS is under pressure to meet targets which is leading to increased audits.
- Having a competent Accountant or Tax practitioner no longer guarantees protection.
- It is very difficult for your Accountant to be 100% up to speed with new tax legislation at all times.
- Your Accountant cannot defend you in a court of law.
- Taxpayers may be at risk as you may not have insight into your rights.
- Cost to defend against a tax audit may be debilitating.
- SARS doesn't always follow procedures and timelines.

What am I covered for?

If you are selected for a SARS' tax audit or related dispute, Tax Risk Underwriting Managers will appoint and pay for the team of tax professionals who will defend you.

This may include Accountants, Tax Attorneys, Auditors, Tax Specialists, and other Tax Advisors as may be required to ensure a fair audit outcome. If you already have an Accountant, he/she will become a central part of the team and fees are paid for services during the claim.

This may include:



Accountants



Auditors



Tax Attorneys



Tax Specialists



Tax Advisors

Ticking the boxes:

<input type="checkbox"/>	Affordable premiums.
<input type="checkbox"/>	Can claim more than once, per annum.
<input type="checkbox"/>	Cover is retrospective - no waiting period.
<input type="checkbox"/>	Once policy is active – you are protected no matter how far back SARS assesses.
<input type="checkbox"/>	Your Accountants' fees are covered for services during the claim.
<input type="checkbox"/>	Excess – 10% of claim, min R1 500.
<input type="checkbox"/>	Premium includes VAT.
<input type="checkbox"/>	20% broker commission included in premium.
<input type="checkbox"/>	Indemnity limit is fixed, so you know what you have available.

At a glance

Benefits:

- Affordable monthly premiums.
- Risk cover in the event of a tax audit for individuals and companies.
- Access to SA's top tax specialists.
- Removes uncertainty of an unexpected SARS' tax audit and related dispute.
- Covers cost of your Accountant.
- Ensures fair tax treatment and audit outcomes.

Exclusions:

- Audits/disputes which have commenced prior to inception of policy.
- Matters where fraud or crime is involved.
- Audits as a result of late submission of tax returns without extension.
- Matters relating to income generated outside of South Africa. Note: Income earned by individuals (SA tax residents) from passive investments, dividends, trust beneficiary payments, consulting fees and fixed-term contracts are covered.
- Costs associated with normal preparation of tax returns and supply of routine supporting information.
- Matters relating to customs and excise, exchange control, transfer pricing, international tax treaties, and double taxation agreements.
- Where no proper accounting records were kept.
- Taxes, interest, penalties or fines imposed by SARS.
- Matters relating to illegal occupation of any buildings or premises.
- Directly or indirectly in connection with an electricity grid interruption or failure, whether partial or total.
- Matters relating to the Employment Tax Incentive Act.

Please note:

- Each taxpayer must have his/her/its own policy.
- A policy only covers the one named taxpayer.

Easy Claims process:

- 1 Notify Aon on **0860 100 404** or **info@taxrisk.co.za** within 30 days of SARS' tax audit.
- 2 Tax Risk Underwriting Managers will assess the claim and notify you when your claim is approved.
- 3 Tax Risk Underwriting Managers will appoint Tax specialists.
- 4 Your defence starts immediately.

Sign up for a Tax Risk Insurance Policy.

Contact your Aon broker to guide you through the process.

For more information, contact Aon South Africa:

- 📞 **0860 746 466**
- ✉️ **investecsales@aon.co.za**
- 🌐 **www.aon.co.za**

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