

LESEDI LOCAL MUNICIPALITY

STANDARD OPERATING PROCEDURES

FOR VAT
(2013 2014)

NR	PROCEDURE	FREQUENCY	RESPONSIBLE PERSON
	VAT calculation and payments		
1	Complete the monthly VAT return		
1.1	Obtain the income received for the relevant month from the system and complete the income part of the VAT return	Monthly	Accountant Budget & Reports
1.2	Obtain the expenditure incurred for the relevant month from the system.	Monthly	Accountant Budget & Reports
1.3	Enter the VAT Input amount into the relevant section of the VAT return	Monthly	Accountant Budget & Reports
1.4	Calculate the VAT payable or VAT refund of the municipality on the VAT 201 return by deducting the input VAT from the output VAT. If the output VAT is higher than the input VAT, then the municipality must pay over the amount to the SARS and if the input VAT is higher than the output VAT, then the municipality must claim the amount back from SARS	Monthly	Accountant Budget & Reports
1.5	Reconcile the VAT return to the VAT control account	Monthly	Accountant Budget & Reports
1.6	Submit the completed return via SARS E-filing before the 25 th of the month	Monthly	Accountant Budget & Reports
1.7	Transfer the funds by cheque/EFT to SARS by following payment procedure	Monthly	Accountant Budget & Reports
1.8	If VAT has been claimed back, allocate the payment received from SARS to the VAT Control Vote for reconciling purposes	Monthly	Accountant Budget & Reports
2	Monthly clearing of vat accounts		
2.1	On a monthly basis clear the vat accounts	Monthly	Accountant Budget & Reports

APPROVAL OF SOP

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SIGNATURE : LINE MANAGER

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DATE

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SIGNATURE : HEAD OF DEPARTMENT

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DATE