


[Individuals](#)
[Businesses and Employers](#)
[Tax Practitioners](#)
[SARS Home](#) > [Types of Tax](#) > [Corporate Income Tax](#) > [Country-by-Country\(CbC\)](#)

# COUNTRY-BY-COUNTRY (CBC) FINANCIAL DATA REPORTING

## What's New?

### 25 June 2018 - New exchange of information system kicks off

SARS has implemented a system that provides for the transmission of CbC reports to other tax jurisdictions in terms of the Multilateral Competent Authority Agreement (MCAA) and the bilateral Competent Authority Agreement, as well as the exchange of transfer pricing documentation on request between the participating authorities.

Companies that are liable for CbC reporting (Ultimate Parent Entity (UPE) or other MNE entities must do so no later than 12 months after the last day of the reporting fiscal year of the MNE group. Notifications pertaining to the entity responsible for filing these reports must be provided to SARS by the same date.

## What is it?

Corporates and connected persons such as groups of companies, trusts, partnerships or natural persons and Multi-National Entities (MNEs) present some complex compliance risks.

To close the gaps and address the mismatches between the tax systems of multiple countries the Base Erosion and Profit Shifting (BEPS) Action Plan was adopted by the OECD and G20 countries, including South Africa, in 2013.

The OECD / G20 BEPS project provided the ambit for the development of Country-by-Country (CbC) reporting. CbC reporting requires MNE Groups to report on their operations in every country that they operate in. These reports will enable revenue authorities to assess transfer pricing risks and other BEPS related risks with respect to the MNE Groups operating in their countries.

## How does it work?

On 23 December 2016 regulations specifying the changes to the CbC Reporting Standard for MNE Groups specifically required for South Africa's circumstances, were published under the [Tax Administration Act, 2011](#). The South African CbC Regulations were closely modelled on the legislation related to CbC reporting published in the BEPS Action 13 (2015) Final Report. In addition a public notice under section 25 of the Tax Administration Act requires the filing of the CbC Reports, master files and/or local files. SARS will be able to receive and exchange information provided in the CbC Reports, master files and/or local files with other jurisdictions.

## Who is required to report on their operations?

- The Ultimate Parent Entity (UPE), resident in South Africa, of an MNE Group with a total consolidated group revenue of R10 billion or more during the Fiscal Year immediately preceding the Reporting Fiscal Year, as reflected in its Consolidated Financial Statements for such preceding Fiscal Year, is required to file a CbC Report (CbC01), master file and local file



Top

**Who i**  
The UI  
group  
is resic  
purpos  
group  
more f  
Year.

[read n](#)

**What**  
The re  
in the  
(BRS):

- Any MNE Entity with potentially affected transactions for the year of assessment, without offsetting any potentially affected transactions against one another, that exceeds or is reasonably expected to exceed R100 million, is required to file a local file and may also be required to file a master file.

The Ultimate Parent Entity or other MNE Entity must submit the required information as stipulated in the [Business Requirements Specification \(BRS\): Country-by-Country and Financial Data Reporting](#). Local filing of a CbC Report (CbC01) by others members of an MNE Group is required in the circumstances as described in Article 2(2) read with Article 2(3) of the CbC Regulations. [A list of countries that have a current International Agreement in place with South Africa but do not have a Qualifying Competent Authority Agreement in place for purposes of Article 2\(2\)](#) is available on the link provided. The [OECD website](#) can be accessed for regular updates as jurisdictions activate their bilateral exchange relationships for CbC reporting

## What is the due date for submitting returns?

A UPE or other MNE entity that must file a CbC Report, master file and local file must file no later than 12 months after the last day of the Reporting Fiscal Year of the MNE Group. Notifications in terms of Article 3 of the CbC regulations for filing the CbC reports must be provided to SARS by the same date. The notifications must contain the information required in terms of Article 3 but no specific format has been prescribed for the notifications. The notifications must, until further notice, be forwarded to: [Bus\\_Sys\\_CDsupport@sars.gov.za](mailto:Bus_Sys_CDsupport@sars.gov.za).

An MNE entity that must only file a local file (and master file) must file no later than 12 months after its year of assessment.

## How to submit a return?

The CbC01 form is now available for electronic submission on the SARS eFiling platform using the CbC link. Kindly note that for the purpose of submitting the CbC01 form, currently SARS does not support submissions for CbC using any mobile devices. As mentioned the reporting requirements are stipulated in the BRS which also contains the requirements pertaining to the CbC01 form, master file and local file.

The master file and local file will have limitations in term of the size to be transmitted. Each file should not exceed 5MB and combined files will be limited to 100MB per submission. All documents will be converted to PDF when they are transmitted.

## How will the exchange of information take place?

The CbC Report will be saved on the SARS system for SARS use and transmission to other tax jurisdictions in terms of the Multilateral Competent Authority Agreement (MCAA) and bilateral Competent Authority Agreement. See [the list of signatories to the MCAA](#).

On request from other tax jurisdictions, components of the master file and local file will be exchanged with such tax jurisdictions under treaty.


## Need Help?

Should you need more help, please send an email to [Bus\\_Sys\\_CDsupport@sars.gov.za](mailto:Bus_Sys_CDsupport@sars.gov.za).

### Country-by-Country(CbC) Documents

 [External Business Requirements Specification: Country-by-Country and Financial Data Reporting v 2.2](#)

### Top Publications

 [How to complete and submit your Country by Country information](#)

Last Updated: 25/06/2018 9:12 AM



[Careers](#) [Media](#) [Procurement](#) [Glossary](#) [T&C's](#) [Site Map](#) [Tax Can Be Fun](#)

[National Treasury](#) [Davis Tax Committee](#) [Office of the Tax Ombud](#)

