

Week 1: Smart Tax Efficiency Checklist

A Practical Guide to Reducing Tax Legally and Strategically in South Africa

(By Vilicus — Integrated Financial and Fiduciary Services)

Purpose of This Checklist

This checklist helps professionals, entrepreneurs, and retirees identify legitimate ways to **minimise tax**, **maximise savings**, and **structure finances** efficiently.

Section 1: Retirement Contributions & Savings Structures

Action Item	Details / Limits	Expert Tip
Maximise your Retirement Contributions	Up to 27.5% of taxable income (max R350,000 p.a.) is deductible.	Even if you belong to an employer fund, topping up via an RA reduces tax and grows retirement capital.
Open or fund a Tax Free Savings Account	Max R36,000/year , lifetime R500,000 .	Tax-free interest, dividends & capital gains make this a long-term wealth cornerstone.
Evaluate preservation funds	If you've changed jobs, preserve rather than withdraw.	You defer tax and maintain long-term compounding.
Track Retirement Contribution timing	Earlier contributions compound longer.	Consider monthly debit orders instead of lump sums in February.

Stewardship Tip: Combining Retirement **Contributions** + **Tax Free Savings Account** ensures both current and future tax advantages.

Section 2: Income & Business Deductions

Action Item	Details / Limits	Expert Tip
Claim business-related expenses	Office rent, vehicle use, stationery, software, insurance.	Keep a detailed expense log and separate business bank account.
Home office deduction	Space must be used exclusively for work.	Measure the area and calculate % of home costs to claim.
Depreciate equipment correctly	SARS allows wear-and-tear schedules (Section 11(e)).	Use a depreciation table — 3–5 years typical.

Review VAT registration threshold	Compulsory above R1 million turnover .	Voluntary registration can reclaim input VAT for start-ups.
Provisional tax calendar	Submit August & February payments.	Avoid penalties — always estimate conservatively but realistically.

Stewardship Tip: Digital recordkeeping simplifies audits and improves deduction tracking accuracy.

Section 3: Investment & Capital Gains Planning

Action Item	Details / Limits	Expert Tip
Track CGT events	Only triggered on sale or deemed disposal.	Use the Week 4 CGT Calculator to pre-plan disposal timing.
Use annual CGT exclusion	First R40,000 of capital gain per person tax-free.	Plan disposals across tax years to maximise relief.
Optimise asset holding structure	Consider trusts or companies for large assets.	Seek fiduciary advice — tax benefits depend on goals.
Use losses strategically	Capital losses offset capital gains.	Avoid crystallising losses unless tax advantage is clear.

Stewardship Tip: Timing matters — a February disposal vs March can shift your liability by a full year.

Section 4: Family & Legacy Planning

Action Item	Details / Limits	Expert Tip
Review your will and beneficiary designations	Ensure alignment with estate plan.	Update after major life changes (marriage, divorce, new child).
Consider donations	Up to R100,000 per person per year tax-free.	Use annual gifting to reduce estate size over time.
Assess estate liquidity	Estate duty = 20%/25% of dutiable estate.	Ensure policies cover estate costs.
Family trust maintenance	Keep annual resolutions, financials, & minutes.	SARS may deny benefits if formalities aren't met.

Stewardship Tip: Estate efficiency starts long before retirement — review trusts, wills, and beneficiaries annually.

Section 5: General Personal Tax Optimisation

Action Item	Details / Limits	Expert Tip
Medical aid tax credits	R364 (main member), R364 (first dependant), R246 (each additional).	Claim qualifying out-of-pocket medical costs too.
Donations to approved PBOs	Deductible up to 10% of taxable income .	Request an official Section 18A certificate.
Spousal planning	Split investment income where possible.	Low-income spouse may pay lower marginal tax rate.
Tax-free interest threshold	R23,800 (under 65), R34,500 (over 65) .	Keep interest within exemption by using TFSA or splitting across accounts.
Rebate awareness	Check primary, secondary, tertiary rebates.	Don't rely on payroll alone; confirm final rebate during assessment.

Stewardship Tip: A 1-hour annual tax review can save thousands — and reveal hidden deductions.

VILICUS Tracking Summary Table

Category	# Actions	Completed	Potential Savings
Retirement & Savings	4		R10,000–R40,000 p.a.
Income & Business	5		R5,000–R20,000 p.a.
Investment & Capital Gains Tax	4		R10,000–R30,000 p.a.
Family & Legacy	4		R15,000+ (estate planning)
General Tax	5		R5,000–R15,000 p.a.

Total potential annual benefit: **R45,000+** (depending on structure and income level).

Vilicus CTA — Turn Insights In to Action

Book your Smart Tax Efficiency Consultation

We will review your checklist, assess your current tax position, and prepare a custom optimisation roadmap.

info@vilicus.co.za
www.vilicus.co.za
+27 (0)21 000 0000

Disclaimer:

This article is for educational purposes only and does not constitute financial advice under FAIS. Always consult a qualified accountant or tax practitioner before making financial and tax decisions.