**EXAMPLE LETTER FROM A TAX PRACTITIONER TO A CLIENT REGARDING OUTSTANDING TAX RETURNS**

This letter is designed to be direct yet understanding, highlighting the urgency of the situation while providing reassurance that you are there to help the client resolve the issue efficiently.

**The scenario:**

Your client, Mr. John Doe, is a small business owner who runs a local bakery in Cape Town. Over the past years, he has been so focused on adapting his business to the challenges posed by the COVID-19 pandemic that he inadvertently neglected to file his income tax returns. The missed filings have now accumulated, putting his business at risk of serious penalties from SARS, as well as potential disruptions in his business operations.

**Draft Letter:**

**[Your Name]**
**[Address]**
**[Email Address]**
**[Phone Number]**
**[Date]**

**Mr. John Doe**
**Doe's Bakery**
**[Client’s Address]**

Dear John,

**Subject: Let Us Help You Catch Up With Your Tax Filings**

I hope this message finds you well and that Doe's Bakery is continuing to thrive despite the recent challenges. During my routine review of client files, I've noticed an important issue with your tax filings that we need to address urgently.

**Current Situation**
It appears that amidst the demanding changes you've had to implement at the bakery over the past two years, the income tax returns for 2020 - 2023 were not filed. This oversight has resulted in your tax account moving into a non-compliant status with the South African Revenue Service (SARS).

**Implications**
I understand how easy it can be to overlook such matters when business demands all your attention. However, as we have seen with other clients in similar situations, delaying action can compound the problem with penalties and disrupt business operations. We certainly want to avoid these for Doe's Bakery.

**Next Steps**
I am here to assist you through this process and ensure that we bring your tax filings up to date as smoothly as possible. I propose we meet to discuss a plan of action that will include:

* Review the current status of your tax affairs and plan to submit overdue returns.
* Discussing potential penalties and how we might minimise them.
* We can assist you with arranging a payment plan with SARS to pay off outstanding debts in instalments.
* Plan for coming returns to ensure future compliance issues.

I would like to arrange a short meeting with you to discuss these issues. Please come back to me with you availability during the course of next week. Feel free to suggest any date and time that works best for you, or you can reach me directly at [Phone Number] or [Email Address].

I'm here to assist you quickly and with minimal disruption to your business. Thank you for your prompt attention to this critical issue.

Warm regards,

**[Your Name]**
**[Your Position]**
**[Your Company Name]**
**[Contact Information]**