

FREE RESOURCE

South Africa Business Compliance Checklist

A practical guide for SMEs across industries. Understand the baseline obligations that apply to most businesses, and the additional licences, registrations, and certificates that may apply to your industry.

Compliance in South Africa works in layers. Most formal businesses carry a baseline set of tax, company, employment, and data-protection obligations, with the specifics depending on legal structure, employees, and activities. On top of that baseline, specific industries carry their own additional regulators, licences, and certificates. This guide sets out both layers, in plain language, with the bodies and legislation named so a founder knows where to go next.

INFORMATION CURRENT AS OF 17 AUGUST 2026

01 The Baseline: What Most Businesses Need

These obligations apply to most formally registered businesses in South Africa. A sole proprietor with no employees and turnover below the relevant thresholds will carry a lighter version of some of them; a registered company carries the full set.

CIPC AND SARS

Annual returns: every registered company and close corporation must file its CIPC annual return within 30 business days of its registration anniversary, confirming the business is still active and disclosing turnover. Missing this repeatedly can lead to deregistration.

Beneficial ownership: companies and close corporations must maintain their beneficial ownership information and submit it to CIPC, including as part of the annual return process and when changes occur.

Income tax: companies are automatically registered for income tax on incorporation, and must file an ITR14 return within 12 months of financial year-end, plus provisional tax (IRP6) twice a year.

VAT: compulsory when taxable supplies exceed R2.3 million in any consecutive 12-month period, subject to the applicable rules, with voluntary registration available from R120,000. VAT201 returns are filed monthly or bi-monthly.

Employer taxes: from the first employee, PAYE and UIF contributions are declared and paid monthly through the EMP201 return, with the Skills Development Levy added once the payroll threshold is crossed.

TURNOVER TAX: AN ALTERNATIVE WORTH CHECKING

Certain qualifying micro businesses with an annual turnover of up to R2.3 million may qualify for SARS Turnover Tax, a simplified system that taxes turnover rather than profit and can meaningfully reduce administrative complexity for a small operation. It is not automatic and is not right for every business. Check eligibility with SARS before choosing between ordinary income tax, Turnover Tax, and VAT, since the right combination depends on margins, business structure, and growth plans.

LABOUR: UIF, COIDA, AND THE OHS ACT

UIF: employers who are liable under UIF legislation must register with the Unemployment Insurance Fund and contribute on behalf of qualifying employees, with employer and employee each contributing 1% of remuneration. Coverage rules carry some exceptions, so registration is done through the Department of Employment and Labour's uFiling portal, which will confirm what applies to a specific workforce.

COIDA (Compensation Fund): every employer must register with the Compensation Fund to cover workplace injuries and occupational diseases, and must submit an annual Return of Earnings, even in years with no incidents, to keep the Letter of Good Standing valid. Workplace accidents must be reported to the Fund within 7 days, and occupational diseases within 14 days of diagnosis.

Health and safety representatives: certain workplaces with more than 20 employees must designate health and safety representatives, in accordance with the Occupational Health and Safety Act 85 of 1993 and its regulations, elected by employees, with the exact requirement depending on the type of workplace.

Basic Conditions of Employment: written contracts, leave entitlements, and working hours must comply with the Basic Conditions of Employment Act, regardless of business size.

EMPLOYMENT EQUITY AND SKILLS DEVELOPMENT

Employment Equity Act: employers with 50 or more employees are designated employers, and carry additional Employment Equity planning and reporting obligations, including a formal Employment Equity Plan and annual report. The amended framework introduced sector-specific numerical targets running over a five-year period to August 2030. This does not mean smaller employers have no obligations at all under the Act; it means the formal planning requirement is scaled to size.

Skills Development Levy: employers with an annual payroll above R500,000 must register for and pay SDL, equal to 1% of monthly remuneration, alongside the EMP201. Submitting a Workplace Skills Plan and Annual Training Report by 30 April each year may qualify the employer to claim the mandatory grant back from the relevant SETA, subject to that SETA's requirements.

POPIA AND B-BBEE

POPIA: businesses that process personal information, which includes most businesses handling customer, employee, or prospect information, have POPIA obligations. In practice this means appropriate Information Officer arrangements (the owner by default, registrable with the Information Regulator), reasonable safeguards, and clear policies and procedures for how information is collected and used.

B-BBEE: a business with annual turnover of R10 million or less generally qualifies as an Exempted Micro Enterprise. It can use a sworn B-BBEE affidavit, signed by a Commissioner of Oaths, or, where eligible, obtain a free B-BBEE certificate through CIPC instead. Either serves as a valid B-BBEE certificate for an EME, and is valid for 12 months. Businesses above the R10 million threshold move into the Qualifying Small Enterprise or full scorecard categories, which require closer attention to ownership, management, and procurement scoring.

These baseline obligations sit alongside each other, not instead of one another. A retailer, for example, carries all of the above in addition to the retail-specific requirements covered later in this guide. Compliance rarely subtracts as a business grows into new activities: it adds.

02 Food, Beverage, and Hospitality

Any business that handles, prepares, stores, transports, or sells food to the public falls under this section, from a home-based baker to a full restaurant.

CERTIFICATE OF ACCEPTABILITY (REGULATION R638)

What it is: a Certificate of Acceptability (CoA), issued by the local municipality's Environmental Health Department, confirms a food premises meets the hygiene standards set out in Regulation R638 of 2018, made under the Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972. No food business may legally trade without one.

Training: food handlers must receive adequate food-hygiene training in accordance with Regulation R638. Municipal environmental health requirements and inspection practices can differ, so it is worth confirming the specific expectations with the local municipality before applying.

After issuing: the certificate must be displayed on the premises, is specific to that location, and is not transferable if the business changes hands or moves.

LIQUOR LICENSING AND TOURISM GRADING

Liquor licence: any business selling alcohol needs a licence from its provincial liquor authority, since liquor regulation is handled at provincial rather than national level. Applications typically require proof of the right to occupy the premises, zoning confirmation, a police clearance certificate, SARS tax clearance, and a B-BBEE certificate or affidavit.

Renewal and ongoing requirements: these depend on the applicable provincial liquor authority and licence type, so confirm the specifics with the relevant province rather than assuming a single national rule. Any alteration or extension of the licensed premises generally requires approval from the liquor board before the work is carried out.

Tourism grading: star grading through the Tourism Grading Council of South Africa is voluntary, and provides an officially recognised quality standard for tourism accommodation and related establishments. It is not a legal requirement to trade.

A general business licence under the Businesses Act 71 of 1991 may also apply depending on the activity and municipality, alongside a zoning certificate, fire compliance certificate, and gas certificate of compliance where relevant.

03 Construction and the Built Environment

Two separate bodies cover this sector, with different focuses.

CIDB AND NHBRC

CIDB: the Construction Industry Development Board's Register of Contractors is primarily relevant to contractors participating in public-sector construction procurement. Contractors are graded from 1 to 9 according to financial and technical capability, with the required grade depending on the value and class of works being tendered for.

NHBRC: the National Home Builders Registration Council regulates home builders and the enrolment of qualifying new homes for a structural warranty. The legislative framework is currently transitioning from the Housing Consumers Protection Measures Act of 1998 to the Housing Consumer Protection Act 25 of 2024, which has been passed but whose commencement date has not yet been proclaimed. Confirm the current requirements directly with NHBRC before construction begins.

Whether a contractor needs one registration or both depends on the work being pursued: private residential work generally sits with NHBRC, public-sector or larger tender work generally sits with CIDB, and a contractor doing both needs to keep both current at the same time. Professional roles on a project, such as quantity surveyors and engineers, carry their own registration requirements with bodies including the Association of South African Quantity Surveyors and the Engineering Council of South Africa. Construction sites also fall under the Construction Regulations made under the Occupational Health and Safety Act, on top of the general OHS obligations covered in section one.

A mismatch between a contractor's CIDB grade and the value of a specific tender is one of the most common reasons a construction submission gets disqualified. Confirming the grade covers the contract value, and checking current requirements directly with CIDB or NHBRC, is worth doing before submitting or building, not after.

04 Retail and E-Commerce

Any business selling to consumers, whether from a shop or a website, carries obligations under three overlapping pieces of legislation.

CPA, POPIA, AND ECTA

Consumer Protection Act: applies to nearly all transactions with consumers in South Africa, including online sales, and covers fair marketing, accurate product descriptions, and the right to return defective or unsafe goods.

Electronic Communications and Transactions Act: provides consumers with specific cancellation rights for certain electronic transactions, including a cooling-off right in qualifying transactions. The exact rules, and how they interact with the CPA's own cancellation rights for direct marketing, depend on the transaction type and statutory exceptions, so this is worth checking against the specific goods or services being sold.

POPIA for customer data: collecting names, contact details, or payment information from customers online triggers the same POPIA obligations covered in section one, with particular attention to consent for electronic direct marketing under section 69.

Recent update: 2026 amendment regulations under the Consumer Protection Act replaced the old voluntary opt-out registry for direct marketing with a compulsory, National Consumer Commission-administered Opt-Out Registry, which applies to every direct marketer. This sits alongside, and does not replace, POPIA's own consent requirements for electronic direct marketing under section 69. Where both apply, a business needs to satisfy both at the same time, not choose between them.

Businesses selling age-restricted goods, such as alcohol or tobacco, online carry the same age-verification expectations as a physical retailer, and failing to verify age can affect an existing licence in addition to any CPA exposure.

05 Financial Services and Regulated Professions

Businesses that touch money on behalf of clients, rather than simply being paid for goods or services, fall under a stricter regime.

FICA AND ACCOUNTABLE INSTITUTIONS

Who this covers: the Financial Intelligence Centre Act lists specific categories of accountable institutions in its Schedule 1, including legal practitioners, trust and company service providers, estate agents, credit providers, and crypto asset service providers, among others.

Customer due diligence: accountable institutions must identify and verify clients and relevant persons when establishing a business relationship or conducting a single transaction, in accordance with FICA and their own risk-management and compliance programme.

Cash threshold reporting: qualifying cash transactions of R49,999.99 or more must be reported to the Financial Intelligence Centre, a separate obligation from customer due diligence.

REPORTING, RECORD-KEEPING, AND SUPERVISION

Accountable institutions must file suspicious or unusual transaction reports with the Financial Intelligence Centre where money laundering or terrorist financing is suspected, and must appoint a formally designated Compliance Officer.

Records relating to customer due diligence and transactions must generally be kept for at least five years after a relationship ends.

Depending on the sector, day-to-day supervision sits with the Financial Sector Conduct Authority, the Prudential Authority, or the Financial Intelligence Centre directly. Penalties for non-compliance can include public reprimand, restriction of activities, and in serious cases, substantial fines or imprisonment.

06 Other Regulated Industries at a Glance

This is a starting snapshot, not an exhaustive list. Sectors not covered in detail here, including motor dealers, gambling, environmental businesses, agriculture, explosives and chemicals, education, waste management, telecoms, and property practitioners, each carry their own dedicated regulator worth checking separately.

Industry	Key regulator and requirement
Private security	Registration with the Private Security Industry Regulatory Authority (PSIRA) is mandatory for both the company and every individual officer, under the Private Security Industry Regulation Act 56 of 2001.
Manufacturing and product safety	Products regulated by the National Regulator for Compulsory Specifications (NRCS), such as electrical goods, toys, and food-contact items, require mandatory approval before sale or import.
Import and export	Importers and exporters must register with SARS Customs and obtain a customs client number, under the Customs and Excise Act 91 of 1964, with certain goods needing an ITAC permit or NRCS Letter of Authority.
Early childhood development	ECD centres and programmes register under the Children's Act 38 of 2005, now primarily with the Department of Basic Education since 1 April 2022, though after-school care remains with DSD.
Transport and logistics	Operating a vehicle for reward requires an operating licence from the relevant provincial regulatory entity, on top of standard vehicle registration.
Healthcare and allied professions	Individual practitioners register with their relevant statutory council, such as the Health Professions Council of South Africa.

07Does This Apply to Me?

A quick way to spot which sections of this guide are relevant to a specific business.

If your business...	Check
Has employees	UIF, PAYE, COIDA, OHS Act
Handles personal information	POPIA
Sells to consumers	Consumer Protection Act
Sells online	ECTA, CPA, and POPIA together
Has turnover approaching R2.3 million	VAT, and whether Turnover Tax could apply
Imports goods	SARS Customs, ITAC, and NRCS where applicable
Handles food	Regulation R638 and a Certificate of Acceptability
Sells alcohol	Provincial liquor authority
Builds homes	NHBRC
Tenders for public construction	CIDB
Provides regulated financial services	FICA, FSCA, or the relevant sector regulator

08 Using This Checklist

Start with the baseline. Every business needs section one in place before anything industry-specific matters, since a lapsed CIPC or SARS status can undermine a licence application in any other sector.

Layer in the industry sections that apply. Most businesses touch more than one: a restaurant that also sells wine needs both the Certificate of Acceptability and a liquor licence, not one or the other.

Track renewal dates, not just first registration. Almost every certificate and licence in this guide has its own renewal cycle: annual returns, liquor licences, tourism grading, NHBRC and PSIRA registrations, and B-BBEE certificates all run on their own clocks.

Confirm with the regulator directly where it matters. Provincial and municipal requirements vary, and regulations are amended over time. This guide reflects the position as of the date on the cover.

Compliance is easiest to manage when it is treated as an ongoing calendar rather than a once-off project. A business that registers correctly at the start but never revisits renewal dates tends to discover gaps at the worst possible moment, usually during a tender, a funding application, or an audit.

IMPORTANT NOTE

This guide is intended for general information only and does not constitute legal, tax, accounting, or regulatory advice. Requirements can change and may depend on legal structure, business activities, location, employees, and industry. Always confirm current requirements with the relevant regulator or a qualified professional before relying on this guide.

Sources: South African Revenue Service (sars.gov.za), Companies and Intellectual Property Commission (cipc.co.za), Department of Employment and Labour (labour.gov.za), Information Regulator South Africa (justice.gov.za/infocreg), the dtic (thedtic.gov.za), National Home Builders Registration Council (nhbrc.org.za), Construction Industry Development Board (cidb.org.za), Private Security Industry Regulatory Authority (psira.co.za), Financial Intelligence Centre (fic.gov.za), Financial Sector Conduct Authority (fsca.co.za), National Consumer Commission (thencc.org.za), Tourism Grading Council of South Africa (tourismgrading.co.za), National Regulator for Compulsory Specifications (nrsc.org.za), and the South African Government services portal (gov.za). Legislation referenced includes the Companies Act 71 of 2008, Tax Administration Act 28 of 2011, Basic Conditions of Employment Act 75 of 1997, Occupational Health and Safety Act 85 of 1993, Compensation for Occupational Injuries and Diseases Act 130 of 1993, Employment Equity Act 55 of 1998, Skills Development Levies Act 9 of 1999, Protection of Personal Information Act 4 of 2013, Broad-Based Black Economic Empowerment Act 53 of 2003, Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972 (Regulation R638 of 2018), Housing Consumers Protection Measures Act 95 of 1998 and its successor, the Housing Consumer Protection Act 25 of 2024 (not yet commenced at time of writing), Consumer Protection Act 68 of 2008 and its 2026 Amendment Regulations, Electronic Communications and Transactions Act 25 of 2002, Financial Intelligence Centre Act 38 of 2001 and the Money Laundering and Terrorist Financing Control Regulations, Private Security Industry Regulation Act 56 of 2001, Customs and Excise Act 91 of 1964, and the Children's Act 38 of 2005.

Want your specific industry mapped out?

Book a Discovery Consultation and we will build the compliance sequence for your exact business.

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