

## Template: Forex Trading Tax Compliance Checklist

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Based on Article: "Tax Implications of Forex Trading: Avoiding Common Pitfalls in 2026"

Website: <https://randfx.co.za/>

A practical checklist for forex traders to ensure compliance with tax obligations and avoid common pitfalls.

### Checklist Items:

- 1. Keep Detailed Trade Logs**  
Maintain records of all trading activities, including platform statements, opening and closing times, position sizes, and any screenshots for disputed fills.  
Reference Section: Tax Obligations for Forex Traders in South Africa
- 2. Separate Trading Accounts**  
Use a dedicated trading account to keep personal and trading funds distinct, simplifying bookkeeping and tax reporting.  
Reference Section: Tax Obligations for Forex Traders in South Africa
- 3. Understand Income Tax Implications**  
Recognize that profits from consistent trading are treated as income and taxed accordingly. Ensure proper classification of your trading activities.  
Reference Section: Key Tax Regulations to Know
- 4. Register for Income Tax Reference**  
If not already registered, obtain an income tax reference number to facilitate proper tax reporting to SARS.  
Reference Section: Reporting Requirements
- 5. Track and Report Trading Profits**  
Accurately log trading profits and allowable expenses on your annual ITR12 return to meet reporting requirements.  
Reference Section: Reporting Requirements
- 6. Lodge Provisional Tax Returns**  
Submit provisional tax returns if your trading profits are substantial or show irregular patterns to avoid penalties for underpayment.  
Reference Section: Reporting Requirements
- 7. Keep Invoices and Receipts for Deductibles**  
Collect and maintain documentation for all trading-related expenses, such as data feeds and educational courses, to claim them on your tax return.  
Reference Section: Common Tax Pitfalls and How to Avoid Them
- 8. Select a Broker with Good Reporting Features**  
Choose a broker that allows for easy export of statements for tax purposes. A clean export can save time and reduce audit risks.  
Reference Section: Tax Obligations for Forex Traders in South Africa
- 9. Review Tax Classifications Regularly**  
Regularly assess whether your trading qualifies as business income or capital gains to ensure proper tax treatment.  
Reference Section: Key Tax Regulations to Know