

Tax Practitioner Segment



Office:
Head Office

Enquiries:
L Wang

Telephone:
(012) 422 8620

All RCBs

Pretoria Head Office
299 Bronkhorst Street,
Nieuw Muckleneuk,
0181
Private Bag X923,
Pretoria, 0001
SARS online:
www.sars.gov.za
Telephone:
(012) 422 4000

Reference:
Amended Criteria for RCBs

Date:
2022-05-17

Dear All RCBs

AMENDED CRITERIA FOR RECOGNISED CONTROLLING BODIES RELATING TO THE REGISTRATION AND MANAGEMENT OF THEIR TAX PRACTITIONER MEMBERS

In order to fully implement chapter 18 of the Tax Administration Act (the Act) and ensure the professionalism of the tax advisory industry, SARS proposed amended criteria for the recognition of RCBs. RCBs were consulted and agreement was reached between SARS and the RCBs on the changes below.

- 1) A RCB may register an individual as a tax practitioner on or after 1 June 2022, if the individual:
 - a) Meets the following requirements for minimum qualifications and experience:
 - NQF level 6 and above with at least one accounting module and one tax module, plus at least 1 year's tax working experience,
 - NQF level 5 plus at least 4 years' tax working experience, or
 - NQF level 4 plus 10 years' tax working experience. The tax working experience must be verifiable by the employers or clients.
 - b) Successfully completed the SARS Readiness Programme, i.e. attended the SARS Readiness Programme and passed the assessment thereof,
 - c) Is tax compliant, and
 - d) Has submitted an independently verified criminal free certificate in terms of section 240(3) of the Act to their RCB/s, e.g. a certificate issued by the SAPS.

Once the individual is registered as a tax practitioner, an annual confirmation is required that the criminal free status remains unchanged. Following this, a sworn in affidavit indicating the tax practitioners are criminal free in terms of the above-mentioned section of the Act, must be produced and provided to RCBs once every 5 years.

2) A RCB is required to do the following regarding its tax practitioner members registered before 1 June 2022:

a) Criminal record: Tax practitioners are required to submit to their RCBs attesting to criminal free status. Thereafter, an annual confirmation is required that the criminal free status remains unchanged. Following this, a sworn in affidavit indicating the tax practitioners are criminal free in terms of the above-mentioned section of the Act, must be produced and provided to their RCB/s once every 5 years.

b) CPE

From 1 June 2022, RCBs must

- ensure that its tax practitioner members meet the following requirements: a minimum of 18 verifiable CPE hours per year, which consists of 10 tax hours, 2 ethics hours, and 6 hours relating to the service provided. Please note: the pro rata of the 18 hours per annum is applied to newly registered tax practitioners depending on the registration date,
- verify at least 20% of its members' CPE records per year, and
- retain the records of the verified compliance status of its tax practitioner members. Tax practitioners are required to retain their CPE records, e.g. competency certificates. The records must be retained for five years.

Please note that in the 2022 calendar year, the CPE hours will be calculated in pro-rata, i.e.

- from 1 January 2022 to 31 May 2022, the pro-rata of the previous requirements for CPE hours apply, and
- from 1 June 2022 to 31 December 2022, the pro-rata of the new requirements for CPE hours apply.

c) Records of Dismissed members due to gross misconduct

RCBs are required to notify SARS as and when they have dismissed a member due to gross misconduct. This enables the establishment of a centralised register which will be held by SARS.

d) Tax compliance of tax practitioner members

RCBs must verify the tax compliance status of tax practitioners at least once a year.

3) Review of RCB and tax practitioner status will be implemented from 1 July 2022

- SARS will conduct an annual review of the RCB recognition status. If the RCB fails to meet the recognition criteria and take remedial action within the stipulated timeframe by SARS, such RCB may be de-recognised by the Commissioner in terms of section 240A(6) of the Act,
- SARS will conduct an annual review of the tax practitioner status. If a tax practitioner fails to meet the registration criteria, SARS may deregister such tax practitioner
 - With immediate effect, if the non-compliance falls under the category of section 240(3)(a) to (c) (inclusive) of the Act, or
 - After he/she failed to take remedial action within the stipulated timeframe if such non-compliance falls under the category of section section 240(3)(d) of the Act.
- De-recognised RCBs and deregistered tax practitioners may request SARS to review its decision in terms of section 9 of the Act. However, the status of the RCBs and tax practitioners concerned will only be restored when SARS' decision is reversed on completion of such review.

Should you have any queries in this regard, please address them to the SARS official as per the contact details above.

Sincerely

A handwritten signature in black ink, appearing to read "Dipuo Mvelazi". The signature is stylized and written in a cursive-like font.

Dipuo Mvelazi

Senior SARS Official

**ISSUED ON BEHALF OF THE COMMISSIONER
FOR THE SOUTH AFRICAN REVENUE SERVICE**