

TAX PRACTITIONER REGULATION

2016 DECLARATION AND AUDIT PROCESS

As part of the statutory conditions for recognising SAICA as an RCB, SARS conducts an annual verification of the effectiveness of SAICA's procedures in respect of regulating tax practitioners registered with SAICA. Part of this SARS process will be to secure declarations from all registered tax practitioner members and to sample the compliance of tax practitioners registered with the various RCB's to ensure that these practitioners comply with the requirements set out in section 240 of the Tax Administration Act, the SAICA code of ethics and CPD policy.

In preparation for the 2016 process, all SAICA registered tax practitioners should ensure that their relevant records are maintained and up to date as in the next few weeks SAICA will communicate further details of the declaration and verification process.

The requirements for registration as a tax practitioner has been communicated to members in the past. However, for ease of reference, we recommend that members familiarise themselves with the relevant requirements as set out below.

Who should register as a tax practitioner?

Every natural person who:

- provides advice to any other person with respect to the application of a tax Act; or
- completes or assists in completing a return by another person,

must register with or fall under the jurisdiction of an RCB, as referred to in section 240A of the Tax Administration Act, by the later of 31 July 2013 or 21 business days after the date on which that person, for the first time, becomes liable to register. Such person must also register with SARS as a tax practitioner within 21 business days after becoming liable to register.

Note that certain exclusions may apply as listed in section 240.

Requirements for registration

In order to qualify for registration as a tax practitioner AND to maintain this registration on an ongoing basis, ALL of the following requirements must be met:

- The person must belong to or fall under the jurisdiction of an RCB; **and**

All SAICA members (CA(SA) & AGA(SA)) would qualify in respect of this aspect. However, these members are required to request SAICA to submit their details to SARS for registration purposes. Once SAICA has submitted the relevant information to SARS, this will be communicated to the individual member together with additional steps to follow to complete the registration process. Email taxpr@saica.co.za for further assistance with registration.



- The person must have the minimum qualifications and experience set by the relevant RCB; **and**

SAICA members will also comply with this requirement due to the SAICA entry requirements.

- The person must not have been removed from any other controlling body, within the last five years, as a result of serious misconduct; **and**
- The person must not have criminal convictions in respect of the offences described in section 240(3) of the Tax Administration Act during the last five years, that is:
 - theft, fraud, forgery or uttering a forged document, perjury or an offence under the Prevention and Combating of Corrupt Activities Act, 2014; or
 - any offence involving dishonesty,

for which such person has been sentenced to two years in person without the option of a fine or a fine exceeding the amount prescribed in the Adjustment of Fines Act, 1991; **and**

- The person must not have been convicted of a serious tax offence within the last five years; **and**

Regarding the serious tax offence and criminal offences, the sample of members selected for verification may be required to obtain police clearance certificates, as was the case with respect to the 2015 verification process. Alternative options are being explored to make this a more efficient process. Further information will be provided in due course.

- The registering member must be compliant with SAICA's code of ethics; **and**

This may include the person being substantively compliant with all his or her personal tax affairs as at the date of registration for new practitioners or renewal of membership for previously registered practitioners.

- The person must participate and comply with the continuous professional development requirements as set by the RCB.

In terms of the SAICA CPD policy, 120 hours CPD must be attained in a rolling 3 year period, of which 60 hours must be verifiable and with a minimum of 20 hours in any specific year.

*The SARS requirement for tax practitioners applies from date of registration (that is, apportionment applies). In terms of these requirements, tax practitioner members must attain an annual equivalent of **at least 15 hours tax specific CPD for each year or part of the year, 60% (9 hours) of which is verifiable.** This requirement for tax-specific CPD is documented in the [SAICA CPD policy](#).*



For further detail on what constitutes verifiable and non-verifiable CPD, please refer to the SAICA CPD policy and ensure that you fully understand the requirements.

Proposed timelines (previously communicated to members on 7 July 2016):

- August 2016: Members who are tax practitioners to ensure that their personal details on their SAICA profiles are up to date (this may be updated via the SAICA website) and that they are subscribed to either the Standards and Legislation or Tax Suite Newsletter on the Subscriptions page of the SAICA website.
- September 2016: SAICA to issue a reminder to members regarding their tax specific CPD obligations that need to be complied with by **2 December 2016**. Please note that no extensions to comply will be granted this year.
- October 2016: SAICA to issue compliance declarations to members to be completed by **2 December 2016**;
- 9 December 2016: Notice of audit to be issued to members selected for audit including a request for supporting documents. The due date for submitting supporting documents will be **17 February 2017**.
- March 2017: Processing data and individual member compliance or documentary challenges
- **30 March 2017**: Final report to SARS