



SARS MEDIA RELEASE— RECOGNITION OF CONTROLLING BODIES FOR TAX PRACTITIONERS

CAPE TOWN, 14 May 2013 — The Tax Administration Act, 2011, has been amended to require tax practitioners to register with a recognised controlling body by 1 July 2013, in addition to the existing requirement that they register with SARS. This amendment is intended to provide a framework that will ensure that tax practitioners are appropriately qualified and that a mechanism is available, both to taxpayers and SARS, to address misconduct.

Following a consultative process with controlling bodies known to be active in the tax field, the release of criteria for recognition and the receipt of applications for recognition, the following five controlling bodies have been recognised by SARS in terms of the Act:

- Institute of Accounting and Commerce – IAC
- South African Institute of Chartered Secretaries and Administrators – ICSA
- South African Institute of Chartered Accountants – SAICA
- South African Institute of Professional Accountants – SAIPA
- South African Institute of Tax Practitioners – SAIT

A number of controlling bodies are automatically recognised in terms of the Act:

- General Council of the Bar of South Africa, Bar Councils and Societies of Advocates referred to in Section 7 of the Admission of Advocates Act, 1964
- Independent Regulatory Board for Auditors – IRBA
- Law Societies established in terms of Chapter 3 of the Attorneys Act, 1979

The criteria for recognition by SARS dealt with the legislative requirements that controlling bodies must maintain relevant and effective:

- Minimum qualifications and education
- Code of conduct
- Disciplinary code and procedures
- Continuous professional development

SARS looks forward to working with the recognised controlling bodies to improve the service we offer to taxpayers and clients.

SARS does not anticipate recognising more controlling bodies in the near future. Tax practitioners who are not yet registered with a recognised controlling body should, therefore, review the entry requirements and service offerings of the recognised controlling bodies above to identify the most appropriate body to register with. Following the registration with an appropriate recognised controlling body, tax practitioners would be required to inform SARS to which recognised controlling body they are members of. The process to do this would be communicated shortly in order to meet the deadline of 1 July 2013.

The registration of tax practitioners with a recognised controlling body is the first phase of the regulation of tax practitioners. The second phase involves the establishment of an independent regulatory board for tax practitioner and will begin with a review of the success or otherwise of the first phase eighteen months after its implementation.

ENDS.

For further media enquiries and information, please contact Mr Benjamin de Klerk, SARS Specialist: Tax Practitioner Unit on 083 555 4611