

# The Professional

Volume 12, Issue 3

November 2021

## Special points of interest:

- The IAC Office will close on 23 December 2021 at 12:00 pm and re-open on 4 January 2022 at 8 am.
- SARS extended filing season deadlines.

## Inside this issue:

Exports	2
Brokers	
Tax invoices	
Apportionment	3
Rulings	4
Exhibitions	5
Crypto assets	6
Estate Duty	7
Deregistration of tax practitioners	8
CPD	9
Personal information	10
2022 subscription fees	11
CEO message	12
News from IAS Office	14
New members	16
IAC Staff	18



## 2021 Annual General Meeting





## Exports - Customs documentation and registration

Any person (whether local or foreign) wishing to export goods from South Africa, must register as an exporter under the Customs and Excise Act, and make the relevant export declarations.

In the case of a foreign exporter, that person must register as an exporter and nominate a registered agent in South Africa.

There are limited exceptions from registration. One such exception is where a traveler exports goods (other than scrap metal) valued at less

than R150 000 during any calendar year, regardless of the number of consignments during that year.

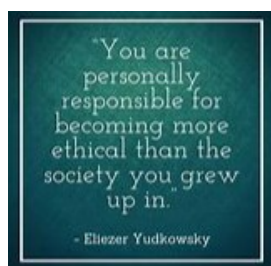
The following persons must register as an exporter and make the relevant declarations in respect of the export:

- Direct exports – the vendor that consigns or delivers the goods to an export country.
- Indirect exports - the qualifying purchaser.

The correct person must be reflected as the “exporter” on the SAD 500, and the relevant documentary requirements contained in IN 30 and the Export Regulation.

VAT Rulings can only be issued in respect of the application of the VAT Act in respect of a specific set of facts. On that basis, no VAT Rulings will be issued on whether the provisions of the Customs and Excise Act are met, or to confirm the documentation required under that Act.

## Brokers and other intermediaries selling long-term insurance



There has been some uncertainty in the insurance industry whether administrative services supplied by brokers constitute exempt financial services due to the relation to long-term insurance policies such as life insurance and funeral policies.

In a recent Tax Court case *IEA Taxpayer v CSARS* (VAT 1908 (21 June 2021)) it was held that the services supplied by an intermediary to a long-term insurer in administering funeral policies do not qualify for an exemption. This is in line with the proviso to section 2(1) of the VAT Act which states that, if the consideration payable in respect of those listed financial ser-

vices is “any fee, commission, merchant’s discount or similar charge...” then, to that extent, the service is not deemed to be an exempt financial service.

The court found that, whilst the appellant advances the services of the long-term insurer, it does so as an independent contractor. It was agreed that the VAT consequences must be determined with reference to the agreement between the appellant and the long-term insurer. In terms of that agreement, it was clear that the appellant’s services were merely administrative in nature. The services of the intermediary did not involve the supply of long-

term insurance policies as those were supplied by the long-term insurer. The activities of the appellant could therefore not be deemed to be financial services.

Intermediaries operating in the funeral industry should take note of this decision and check that they are treating their supplies correctly for VAT purposes.

Qualifying taxpayers seeking to regularize their affairs are also encouraged to apply directly to the unit responsible for the Voluntary Disclosure Programme.

## Tax invoices issued before recipient receives VAT number

A vendor must be in possession of a valid tax invoice before input tax on goods or services acquired may be deducted. One of the requirements for a valid full tax invoice (where the consideration in money for the supply exceeds R5 000) is that the VAT registration number of the recipient must appear on the document where such recipient is a registered vendor.

The question arises whether a tax invoice is valid in a situation where the tax invoice was issued before the recipient became a registered vendor, for example, where a vendor’s compulsory registration is backdated. Since the recipient was not a registered vendor at the time the tax invoice was issued, the supplier could not have inserted the recipient’s VAT number on the tax invoice. On that basis, the tax invoice concerned remains valid for the purposes of deducting input tax, as long as the tax invoice contains all the other relevant details.



## Name change - Impact on tax invoices

One of the requirements of a valid tax invoice is that the document should reflect the name of the supplier as well as the recipient of a supply. Since a business may change its name, the question arises on the VAT impact of such change with regards to tax invoices.

This question was addressed in SARS' recently published VAT Connect Issue 13. SARS confirmed that a tax invoice which has been issued to reflect the old company name is not invalidated merely because of the name change. This is on

condition that all the other necessary details on the tax invoice are correct. The recipient vendor in that case should not apply for a VAT Ruling, but rather, maintain the documentary proof of the name change from the Companies and Intellectual Property Commission (CIPC) as part of the VAT records.

Once the name change has been effected by the CIPC and proof thereof has been issued, all suppliers should be informed immediately to correct their customer records as soon as possible and to

issue tax invoices in future in the new company name.

SARS should also be informed of the change in registered particulars on eFiling within 21 business days. These steps will ensure that all future tax invoices are issued in the correct (new) company name as soon as possible and will reduce the risk of having input tax denied by SARS



## Alternative apportionment methods – Backdating

A vendor is generally entitled to recover VAT incurred to make taxable supplies. In instances where goods or services are acquired to make both taxable and non-taxable supplies, the vendor is only entitled to recover a portion of the VAT incurred for this mixed purpose.

### Apportionment method

The only pre-approved method which may be used to apportion VAT incurred for mixed purposes without specific prior written approval from SARS is the turnover-based method. However, in circumstances where the turnover-based method is inappropriate because it produces an absurd result, proves impossible to use, or does not yield a fair approximation of the extent of taxable application of the enterprise's VAT-inclusive expenses, the vendor must approach SARS to obtain approval to use an alternative method which yields a more accurate result.

### Effective date of approval

SARS provided more guidance in SARS issued Binding Gen-

eral Ruling 16 (BGR 16). BGR 16 also confirmed that SARS may only approve an alternative apportionment method from:

- a future tax period; or
- a date within the "year of assessment" in which the application for the alternative apportionment method was submitted.

### Court case

In *Mukuru Africa (Pty) Ltd v CSARS* [2021] ZASCA 116, Mukuru applied for approval of an alternative apportionment method. SARS approved this method by issuing a VAT Ruling, but only with effect from 1 March 2016 which was the first day of the year of assessment in which Mukuru applied for the special apportionment method.

Mukuru objected and appealed against this decision, insisting that it be allowed to use the method from the beginning of its business on 1 February 2014. Mukuru argued that the turnover-based method was not fair and reasonable and hence BGR 16 did not apply

to it. In its judgement, the Supreme Court of Appeal (SCA) found that Mukuru could not simply ignore BGR 16 or unilaterally apply its own apportionment method.

### Impact on vendors

The effect of this judgment for vendors is that the turnover-based method must be regarded as the default apportionment method unless or until a VAT Ruling has been issued to the vendor allowing an alternative method.

A further effect is that vendors that have not apportioned their input tax in previous years when they were required to do so, cannot overcome the consequences of their non-compliance by applying for a VAT Ruling for an alternative method of apportionment to apply from a date in the past which goes beyond what the law allows.

*Chop your own  
wood and it  
will warm you  
twice.  
Henry Ford*







## Section 72 Rulings

All decisions under section 72 of the VAT Act that do not have a stated expiry date will cease to apply from 1 January 2022.

Vendors or classes of vendors that still require a decision to be considered under section 72, must apply timeously under the new process.

The requirements and conditions that must be met in making an application for a section 72 decision are set out in BGR 56 "Application for a Decision under Section 72" (BGR 56).

### Legislative requirements for section 72 applications

Before a request for a decision under section 72 can be considered, SARS must be satisfied that there are difficulties, anomalies or incongruities that –

- resulted as a consequence of the manner in which a vendor or class of vendors, conducts its business;
- have arisen or may arise with regard to the application of the VAT Act; and
- are the same, or similar to,

those experienced by another vendor of class of vendors.

Any application for a decision under section 72 must therefore contain a very clear and detailed explanation of the transactions concerned, and associated business circumstances of the vendor or class of vendors which demonstrates the nature of the difficulties, anomalies or incongruities experienced.

Applications not dealing with these points in detail are regarded as incomplete and cannot be considered. In order to avoid delays in obtaining a decision, it is important to review the application thoroughly, before submission.

### Exclusions

SARS cannot grant a decision under section 72 if it –

- alters the liability for tax levied under the VAT Act; or
- is contrary to the construct and policy intent of the VAT Act as a whole, or any specific provision of the VAT Act.

### Effect of expiry

Section 72 decisions are categorized as complex and have a standard 90-business-day turnaround time. In the process of dealing with the application, certain days are suspended in calculating the 90 days. For example, the business days from 17 December to 15 January are suspended each year. The following should therefore be noted regarding new applications under section 72 having regard to the above:

- Applications received and accepted on or before 31 December 2021 are unlikely to be finalized before 1 January 2022. However, if a positive decision is granted, it will apply from 1 January 2022.
- In respect of applications received and accepted after 31 December 2021, the positive decision, if granted, can only apply from date of application.
- A negative decision made in respect of any application, will affect the relevant transactions from 1 January 2022.

**Who you are  
tomorrow  
begins with  
what you do  
today.  
Tim Fargo**

## VAT rulings v Section 72 rulings

VAT Class Rulings and VAT Rulings (collectively referred to as VAT Rulings) are issued under section 41B. VAT Rulings are issued to provide certainty on the interpretation or the application of the VAT Act to a class of persons, or a person, in respect of a transaction.

No fee is payable in respect of an application for a VAT Ruling, whereas a fee of R2 500 is payable in respect of an application for a decision under

section 72.

Applications for VAT Rulings must be lodged via the dedicated email address, whereas applications for decisions under section 72 must be lodged via the ATR eFiling system.

A VAT Ruling application which also includes, as the alternative, an under section 72 will be rejected to the extent of the request under section 72. Similarly, an application made under section 72 will be rejected to the extent

that it contains an application for a VAT Ruling to confirm the interpretation or the application of the VAT Act in respect of a transaction under section 41B.

The period for which the ruling or decision is granted will be determined on a case-by-case basis, depending on the circumstances of the case, but will generally not exceed five years.



## Customs - Temporary admission

SARS recently issued a new guide to provide information on the legislative framework governing temporary admission of goods for display or use at exhibitions, fairs, meetings or similar events. If the conditions are met, no Customs duty is payable on entry into South Africa, a financial guarantee may, however, be required as security.

### Temporary admission

Temporary admission refers to the customs procedure under which certain goods can be brought into a customs territory conditionally relieved from payment of import duties and taxes and without application of import prohibitions or restrictions of economic character.

These goods must be imported for a specific purpose and must be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use.

### Events

The general rules apply to goods imported for display or demonstration at the following events:

- A trade, industrial, agricultural or crafts exhibition, fair, or similar show or display
- An exhibition or meeting that is primarily organized for a charitable purpose
- An exhibition or meeting that is primarily organized to promote any branch of learning, art, craft, sport or scientific, educational or cultural activity, to promote religious knowledge or worship, to promote tourism or to promote friendship between peoples
- A meeting of representatives of any international

organisation or international group of organisations

- A representative meeting of an official or commemorative character.

### Eligible goods

The following goods are granted temporary admission:

- Goods intended for display or demonstration at an event
- Goods intended for use in connection with the display of foreign products at an event, including –
  - \* Goods necessary for the purpose of demonstrating foreign machinery or apparatus to be displayed
  - \* Construction and decoration material, including electrical fittings, for the temporary stands of foreign exhibitors
  - \* Advertising and demonstration material which is demonstrably publicity material for the foreign goods displayed, for example, sound and image recordings, films and lantern slides, as well as apparatus for use therewith
- Equipment, including interpretation equipment, sound and image recording apparatus and films of an educational, scientific or cultural character intended for use at international meetings, conferences or congresses.

Note that Rebate item 480.10 cannot be used in respect of exhibitions organized for private purposes in shops or business premises with a view to sell the goods imported.

Furthermore, these goods may not, while cleared under this rebate item, be loaned or used in any way for hire or reward, or removed from the

place of the event.

### Registration

Registration is an important element in the customs regulatory framework and serves a key function in the chain of supervision. In order to import or export goods from the Republic, the person importing or exporting must be registered as an importer or exporter under section 59A of the Customs and Excise Act.

Also note that financial security need to be provided, unless an international carnet is used. The security may be recovered when the goods are exported within the prescribed timeline.

### Formalities

Goods imported under rebate item 480.10 must, on importation and on re-exportation, be entered on form SAD 500 or on such other form as may be specified by the Commissioner.

International carnets for the temporary admission of goods referred to in section 38 will be accepted in the place of import and export documents and as security for any duty in respect of rebate item 480.10.

### Identification of goods

Goods are identified by foreign seals, by marks, by numbers or other identification permanently fixed to them, by description, by photographs or by sampling.

If goods cannot readily be identified in these ways, customs and excise marks or seals may be fixed to the goods.

### Abandonment

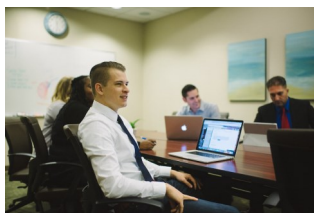
Goods may be abandoned, destroyed or entered into home consumption after obtaining approval from SARS.



*What you do is  
what matters,  
not what you  
think or say or  
plans.*

*Jason Fried*





## Net profit vs taxable income

The term “net profit” is an accounting concept and describes the amount of the profit made by a business from an accounting point of view.

The term “taxable income” is defined in the Income Tax Act and refers to the amount on which a business’ normal tax is calculated.

These two amounts will often be different because of the basic differences in the income and deductions taken into account in determining these amounts.

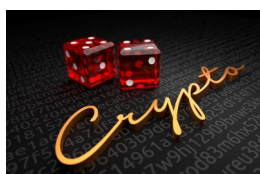
For example, certain income of a capital nature may be fully included for accounting purposes, while only a portion thereof may be included for normal tax purposes.

On the deduction side, there may be timing differences in the depreciation of capital assets or special deductions or allowances for income tax purposes which will cause differences in the deductions allowed for accounting purposes and those allowed for income tax purposes.

Nevertheless, the determina-

tion of net profit from an accounting point of view is an important building block in the determination of the taxable income of a business. Every business must prepare a set of financial statements (income statement and a statement of assets and liabilities). From the income statement which determines the net profit or loss of a business, certain adjustments can be made to the net profit or loss to compute (normally referred to as the tax computation) the taxable income or assessed loss of the business.

**If ethics are poor at the top, that behaviour is copied down through the organization.**  
**Robert Noyce**



## Crypto assets

A crypto asset is a digital representation of value that is not issued by a Central Bank, but is traded, transferred and stored electronically by natural and legal persons for the purpose of payment, investment and other forms of utility, and applies cryptography techniques in the underlying technology.

According to the Income Tax a crypto assets falls within the definition of a “financial instrument”.

Consequently, transactions or speculation in crypto assets is deemed a taxable event, subject to the general principles.

Depending on the facts and circumstances of a case, capital gains tax or normal tax may apply.

SARS’ viewpoint is that the onus is on taxpayers to declare all cryptocurrency-related taxable income in the tax year in which it is received or accrued; furthermore that failure to do so could result in interest and penalties.

### Fintech Workgroup

In 2016 an intergovernmental Fintech Working Group

(IFWG) was established comprising members from National Treasury, SARS, SARB, FSCA and FIC. The IFWG released a position paper on crypto assets in 2020,

### Use types

The workpaper identified the following five crypto asset use types:

- buying and/or selling of crypto assets by individual consumers and legal persons;
- payments using crypto assets;
- capital raising through initial coin offerings;
- crypto asset funds and derivatives; and
- crypto assets market support.

### Token types

The term “crypto assets” is used as an ‘umbrella’ term for different crypto asset tokens which may be classified into three types:

- Exchange or payment token: These are tokens designed to be used as a

means of exchange or payment for buying goods and services. Some users also utilize it for investment purposes.

- Security token: These tokens provide rights such as ownership, the repayment of a specific sum of money, or entitlement to a share in future profits.
- Utility token: These tokens can be redeemed for access to a specific product or service that is typically provided using a distributed ledger technology (“DLT”) platform.

### Additional remarks

Since this is a relatively new and very dynamic industry, tax practitioners should ensure that they have sufficient knowledge and experience before advising clients on crypto transactions. More information can be found at the website listed below.

## Estate duty - Valuation of shares

SARS must approve the valuation of shares held by the deceased person in unlisted companies/close corporations or shareblock companies at the time of death.

For the valuations to be done, valuation packs together with the Valuation Pack Checklist, must be provided to the Share Valuations Team at

[estatesharevaluations@sars.gov.za](mailto:estatesharevaluations@sars.gov.za).

The requirements for each type of valuation pack are as follows:

### Ordinary shares/Member's interest

- Valuation of the shares/member's interest.
- Should the shares be in a holding company of a group, then the consolidated financial statements should also be included.
- The annual financial statements as close as possible to date of death.
- The annual financial statements for the 2 years prior to date of death.

- Copy of the letter of executorship, (as well as a letter indicating authority to deal with SARS in this regard or power of attorney given by the executor/executrix.)
- Contact details of the executor/executrix.
- If there is fixed property in the company/close corporation, then a REV246 form needs to be completed and attached.
- If Patents in a company/close corporation, then a valuation thereof should be attached.

### Preference Shares

- Copy of the Memorandum, Articles and other documents that sets out the rights attached to the preference and other shares of the company.
- Copy of the financial statements of the company as close as possible to the date of death.

### Loan accounts

Loan accounts are not approved by SARS and should be submitted to the Master of the High Court only.

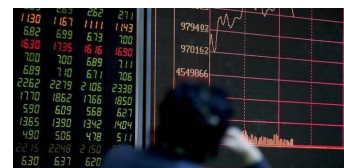
### Further comments

Email size should not exceed 2MB per email. Emails should be numbered if sent in batches to allow SARS to verify that all emails are received.

Shares/ members' interests that are bequeathed to the surviving spouse and not sold by the estate, would no longer be required to be approved by SARS.

This will only be the case if the full portion of the shares/ members' interest that the deceased person held is bequeathed to the surviving spouse in terms of an approved Will or intestate succession.

Should any portion go to another heir or the spouse obtains it in terms of a redistribution agreement, then approval by SARS will be required.



*If you want to be successful, you must respect one rule - never lie to yourself.*

**Paulo Coelho**

## Estate duty - "Spouse"

A spouse includes any partner in –

- a marriage or customary union recognised in the Republic;
- unions recognised as marriages under tenets of religion; or
- a same sex and heterosexual union which the Commissioner is satisfied is intended to be permanent.

### Intended to be permanent

Before SARS can consider the life partnership of the de-

ceased to qualify as a "spouse", SARS needs to be provided with three affidavits from different parties to confirm the relationship.

The following guidelines may be regarded as proof in support of a life partnership:

- An affidavit in which neighbours, relatives or professional people confirm that the deceased and his/her partner had such a relationship.
- A cohabitation agreement.
- A joint bank account.
- The will of the deceased in

which the partner is appointed as a beneficiary.

- Proof of joint ownership of immovable property or other assets.
- Life policies, retirement annuity fund (RAF) or pension fund benefits of which the partner is a beneficiary.
- Membership of a medical scheme reflecting the partner as a dependant.
- The period of such relationship







## Deregistration of tax practitioners

SARS may deregister a registered tax practitioner if the tax practitioner:

- was removed from a related profession by a controlling body (e.g. the IAC) for serious misconduct during the preceding five years,
- was convicted (in the South Africa or elsewhere) during the preceding five years of
  - \* theft, fraud, forgery or uttering a forged document, perjury or an offence under the Prevention and Combating of Corrupt Activities Act, 2004, or
  - \* any offence involving dishonesty for which the practitioner was sentenced to a period of imprisonment exceeding two years without the option of a fine or to a fine exceeding the amount prescribed in the Adjustment of Fines Act, 1991
- during the preceding five years has been convicted of a serious tax offence, or
- during the preceding 12 months has, for an aggregate period of at least six months, not been tax compliant to the extent referred to in terms of section 256 (3) and has failed to:
  - \* demonstrate that he or she has been compliant for that period; or

\*remedy the noncompliance,

within 21 business days.

### Consequences of deregistration

A tax practitioner deregistered in terms of Section 240 (3)(a) to (c) may only register as a tax practitioner again after a period of five years.

A tax practitioner deregistered in terms of Section 240 (3)(d) can only register as tax practitioner again after six months from the date when she/he becomes fully compliant.

To date, SARS deregistered 1 tax practitioner in terms of Section 240(3)(a); 9 in terms of Section 240(3)(b), and 106 in terms Section 240(3)(d).

*The best way  
out is through.  
Robert Frost*

## Verification vs audit

**Verification** is a face-value verification of the information declared by the taxpayer on the declaration or in a return. SARS will notify a taxpayer/trader that the return or declaration is subject to verification. If the return is for the current filing period, SARS will conclude the verification within 21 business days from the date all required information has been received.

An **audit** is an examination of the financial and accounting records and/or the supporting documents of a taxpayer to determine whether the taxpayer has correctly declared his/her tax position to SARS. SARS issues a Notification of Audit, as well as a notification when additional material is required. Progress reports of the stage of the audit will be issued at intervals of 90 calendar days from the date of the Notification of Audit.

## Cookies and similar technologies

As per the IAC's privacy policy, the IAC may process personal information by use of cookies and similar technologies.

Cookies are small software programs that install themselves on your computer or your mobile device. They store data specific to a particular user and remember your preferences about our website.

Cookies are stored on your computer or mobile device for various lengths of time.

Every time you return to the IAC's website and browse it, cookies record this data, which is then transmitted to the IAC or to third parties with whom the IAC works.

When you visit the IAC website, the IAC may place cook-

ies onto your device, or read cookies already on your device, subject always to obtaining your consent, where required, in accordance with applicable law. .

The IAC uses cookies to record information about your device, your browser and, in some cases, your preferences and browsing habits.





## Continuous Professional Development (CPD)

In order to retain membership of the IAC you are required to be CPD compliant. Members must ensure that they meet the following minimum CPD hour requirements for the 2021 year. (1 January 2021 to 31 December 2021):

- Financial Accountant in Practice, Financial Accountant in Commerce and Independent Accounting Professional - 40 hours per year
  - \* Structured - Minimum of 20 hours. (In the case of tax practitioners, 9 of the structured hours must relate to tax.)
  - \* Unstructured - Remaining hours. (In the case of tax practitioners, 6 of the unstructured hours has to be tax related.)
- Tax Practitioners - 15 tax hours per year
  - \* Structured - Minimum of 9 tax hours
  - \* Unstructured - 6 hours tax related
- Technical Accountants - 20 hours per year
  - \* Structured - 10 hours (In the case of tax practitioners, 9 of the structured hours must relate to tax.)
  - \* Unstructured - 10 hours must be unstructured. (In the case of tax practitioners, 6 of the unstructured hours has to be tax related.)
- Business Rescue Practitioner - 20 hours per year
  - \* Structured - 12 hours
    - ◆ Business rescue related - 4 hours
    - ◆ Tax, finances, company/commercial law - 8 hours
  - \* Unstructured - 8 hours



*Once you stop  
learning, you  
start dying.  
Albert Einstein*

## Structured vs unstructured CPD hours

### Structured

The term “structured CPD” refers to CPD which has learning as the primary objective and which is **measurable and verifiable**. There are two forms of structured CPD, i.e. directed study and self-directed study.

#### Directed study

Directed study includes formal programmes designed with learning as the primary objective and requires at least one of the following:

- Physical attendance at group learning activities, for example lectures, presentations,
- Participation in technology assisted learning activities

(including online, CD, audio or video training courses),

- Independent assessment of learning, for example the submission of assignments, research papers or examination.

Directed Study can be measured in terms of the hours spent on the learning activity and can be verified through attendance records, examination results etc.

#### Self-directed study

Self-directed study includes independent study with learning as the primary objective, including research (with published outputs), writing of articles

and lecturing. In all cases, this form of study must have measurable outputs which can be verified by an independent and competent source. Self-directed study can be measured in terms of the hours spent arriving at an outcome that can be assessed and verified by an independent and competent source.

### Unstructured CPD

The term “unstructured CPD” refers to any form of informal learning or development of day to day working skills achieved through self-study and/or informal training.

Unstructured CPD can be **measurable but is not verifiable**.

The following may be categorized as unstructured CPD:

- On-the-job training which consists of informal briefings carried out by other staff members.
- Technical reading, including reading the IAC Newsletter
- Attendance of IAC Practice Network Groups.



## Subscription fees—2022

The IAC Board meticulously tabled the Financial Budget of the Institute for 2022 on 11 November 2021, and has decided to assist you, our valuable members, with the subscription fees payable for 2022. Note that the subscription fees are due on 1 January 2022, and with the greatest amount of respect, has decided to allow you the opportunity to pay your fees in the following manner:

- If you pay your full subscription fees for the 2022 year by the end of December 2021, your subscription fee will **not increase**, i.e. you will pay the same fees as 2021. This is a great opportunity that the IAC Board has allowed us as they have considered that we have come through a difficult year in 2021. I urge you to take advantage of this considerate incentive.
- If you pay your full 2022 subscription fees by 31 January 2022, the fee will be 2%, with no late payment penalty.
- If you pay your full 2022 subscription fees by 28 February 2022, the fee will increase by 3%, with no late payment penalty.
- For payments after February 2022, penalties and interest will apply from 1 March 2022 as follows:
  - \* 15% interest if paid in March 2022,
  - \* 25% interest if paid in April 2022, and
  - \* 40% Penalty Interest if paid in May 2022.

Membership will be terminated if subscription fees are not paid in full by 31 May 2022.

**By putting the  
employee first,  
the customer  
effectively  
comes first by  
default.**

**Richard  
Branson**

It goes without saying that your Institute wants to assist, rather than inconvenience you with subscription penalties. We hate to apply this as we are not in the business of charging interest, so please assist the Institute and if possible, pay your fees by the 31st December 2021 to avoid and increase in your 2022 fees.

You will be pleased to know that we have managed to negotiate with AON that there will be **no increase** in your Professional Indemnity Insurance for 2022. This was quite a rewarding negotiation with AON, and I am pleased that they have the IAC Members at heart.

## Personal information

The personal information that IAC requires relates to, but not limited to, names and surnames, birth dates, identity numbers, passport numbers, demographic information, education information, occupation information, health information, addresses, memberships, personal and work email and contact details.

The IAC will not use your personal information for any other purpose than that set out in its Privacy Policy which is available on the IAC's website.

IAC is legally obligated to collect, use and disclose per-

sonal information for the purposes of:

- reporting to organizations, e.g., SARS, CIPC, SAQA, FASSET, PAFA, QCTO, etc.;
- evaluate and process applications;
- compiling statistics and other research reports;
- providing personalized communications; and
- complying with the law.

Information will be collected in the following manner:

- directly from the individual;
- from education institutions, training providers, or other service providers that are providing or provided the individual with services;
- from our own records relating to our previous supply of services or responses to the individual's request for services; and
- from a relevant public or equivalent entity.



## Subscription fees—2022

For members' convenience, the subscription fee structure is reflected below. Please note that the following color coding is used.:

- **Payment by 31 December 2021**
- **Payment during January 2022**
- **Payment during February 2022**

Amounts that remain the same are not restated.

Membership Category	Subscription Fee	PI Insurance (R5m cover)	VAT	Total
Financial Accountant in Practice, Independent Reviewers & Business Rescue Practitioners (Same Fee)	R4 970.32 R5 069.73 R5 119.43	R546.80	R827.57 R842.48 R849.93	R6 344.69 R6 459.01 R6 516.16
CC's as Accounting Officers	R1 485.26 R1 514.96 R1 529.82		R222.79 R227.24 R229.47	R1 708.05 R1 742.20 R1 759.29
Financial Accountant in Commerce	R2 174.84 R2 218.34 R2 240.08		R326.23 R332.75 R336.01	R2 501.07 R2 551.09 R2 576.09
Technical Accountant	R1 368.56 R1 395.93 R1 409.62		R205.28 R209.39 R211.44	R1 573.84 R1 605.32 R1 621.06
Students on Learnership	R1 158.50 R1 181.67 R1 193.25		R173.77 R177.25 R178.99	R1 332.27 R1 358.92 R1 372.24
Students	R0.00		R0.00	R0.00
ATC's	R0.00		R0.00	R0.00
Certified Tax Practitioner	R2 620.43 R2 672.84 R2 699.04	R546.80	R475.07 R482.95 R486.88	R3 642.30 R3 702.59 R3732.72
Associate Tax Practitioner	R2 042.23 R2 083.07 R2 103.5	R546.80	R388.35 R394.48 R397.54	R2 977.38 R3 024.35 R3 047.84

## Year-end message from the CEO

### Dear IAC Members

It is again a great privilege that the IAC Board has entrusted and tasked me to be the CEO of your Institute. My main task really is to serve you, our valuable members, and then serve at the pleasure of the IAC Board, the Statutory Bodies, Staff and all Stakeholders involved with your Institute.

The 2021 year has been very challenging and much has happened in changing our normal way of doing business and being forced to apply creative thinking, in continuing to adapt to virtual meetings. The new Delta variant of the COVID-19 Pandemic caused the IAC staff to again work remotely from home this year, from July to October 2021. As usual, staff worked ardently with great commitment for which we can all be proud of.

As the New Year of 2022 is approaching, I want to take this opportunity to express my heartfelt appreciation to each of you, being valuable members of the IAC, and express my gratitude and seasonal greetings to you and your families. I would like to re-iterate to you, our valuable members, that even during this period of uncertainty in 2021, your Institute's commitment to sustainability still remained strong. We continue to be invested in conducting our business responsibly and integrating sustainability into our operations to ensure that you, our members, are more than satisfied that your Institute is on top of things, and working in your best interest.

Our commitment to sustainable development caused us to continue investing in modern technology; enhancing the new online member database linked directly to the Website CPD system, making optimal use of the fibre system & upgrading the computer hardware for gain traction on acceptable internet speeds, amongst other things, in order to allow our staff to serve you better.

As your CEO, I again had to balance the need to ensure that my staff's health and well-being was taken into consideration, where I ensured that they were protected to the best of my ability, then to ensure that the IAC remained sustainable during the various levels of the lockdown over the past months. Together with that, ensured all our IAC members were communicated with regularly and assisted where needed. The IAC Board was kept informed of the measures that was put in place to coordinate long-term sustainability initiatives, with the sole intention to improve our service to you, our members.

At the same time, I also communicated with all statutory bodies through virtual platforms, in order for the IAC to remain relevant, so that your concerns were addressed at the highest level. It was truly a balancing act. I am pleased to report that the initiatives mentioned has allowed your Institute to efficiently assist you with your queries and ensure that the communication with all stakeholders remained relevant. We are trusting that the SARS platforms will be more efficient going forward.

I would like to take this opportunity to firstly thank you, our members, for the camaraderie spirit displayed to me at all times. A special thank you and gratitude is extended to the IAC Board Directors, Regional Committees and all other stakeholders that has assisted me in leading you as your CEO.

Lastly, but definitely not least, I want to thank the IAC staff for their tremendous support to the Institute. I could not be the CEO of this great Institute without your commitment and willingness to assist in every way possible and to ensure that our members



## Year-end message from the CEO (continued)

receive a niche service as needed. Thank you for your commitment while working remotely from home, and for being my support whenever needed.

It is indeed an honor as the Secretariat to steer a great Institute like the IAC.

I remain insistent that compliance to set procedures, good corporate governance, being professional, and maintaining a high standard of ethics is not negotiable and I make no apology that I will not compromise these principles going forward.

My relationship with directors, staff and members is friendly and professional, but more importantly respectful, and I thank all of them for the respect shown to me at all times.

In conclusion, please accept my sincere thanks and appreciation for the loyal support to your Institute. Let's continue to work hard to add to the greatness of your Institute.

I pray God's blessings on all of you, and if you are travelling, please stay safe on the roads.

Yours Faithfully,



**Mr. Prakash Singh**  
Chief Executive Officer



## Penalties for late payment of subscription fees

The following penalties will apply in respect of late payment of subscription fees:

Date	Penalty
31 March 2022	Full Fee plus 15% penalty
30 April 2022	Full Fee plus 25% penalty
31 May 2022	Full Fee plus 40% penalty

Any subscriptions unpaid **after 31 May 2022** (without prior arrangements being made), will automatically result in suspension or termination of membership.

Should you wish to pay your subscriptions by SnapScan, please contact Ms. Valencia Williams on her email [finance2@iacsa.co.za](mailto:finance2@iacsa.co.za) who will send you the SnapScan code, together with your quote.

If at all possible, please pay via EFT.

Bank	Nedbank
Account Name	The Institute of Accounting & Commerce
Branch	Southern Peninsula
Universal Branch Code	198765
Account Type	Current
Account Code	1103711784

The Finance Department will send out quotations per the usual procedure and upon payment, you will be invoiced.



## IAC Board—2021/2

Congratulations to the newly elected Board:

- Mr. Andrew Bezuidenhout (President)
- Mr. Shawn Cupido (Vice President)
- Mr. Derek Johnstone (Immediate Past President)
- Mr. Tabile Mzwakali
- Ms. Melanie Telleman
- Mr. Daryl Swanepoel
- Ms. Johanna Lubbe
- Mr. Riaan Badenhorst
- Mr. Norman Chengeta (Zimbabwe)
- Mr. Farai Dube (CEO Zimbabwe)
- Mr. Prakash Singh (CEO – SA and Secretariat)

*Integrity, the  
choice between  
what's  
convenient and  
what's right.  
Tony Dungy*



## Reminder: Upload CPD hours by 31 December 2021

Please be remember to upload your CPD Hours on our website database by 31 December 2021. Failing to log your CPD hours by 31 December 2021, will result in the following penalties:

- R2 000.00—First offence
- R5 000.00—Second offence
- R10 000.00—Third offence
- Fourth offence will result in the termination of your membership.

Members who are not compliant by 31 December 2021 will have their membership suspended or terminated without any further notice.



## Regional committees

We congratulate the following members who were elected to serve on the IAC's regional committees.

### Eastern Cape

- Mr. Tabile Mzwakali (Chairperson)
- Ms. Philoxenia Chatindo (Vice Chairperson)
- Mr. Luyanda Matandabuzo
- Ms. Prudence Matandirotya



### Free State

- Ms. Johanna Lubbe (Chairperson)
- Ms. Johanna du Toit (Vice Chairperson)
- Ms. Jacqueline Fourie
- Ms. Juanita Botha
- Mr. Rudi Oliphant

### Gauteng

- Mr. Riaan Badenhorst (Chairperson)
- Mr. Colinn Alberts (Vice Chairperson)
- Ms. Lara Lencioni
- Ms. Marlise Badenhorst



### Western Cape

- Mr. Shawn Cupido (Chairperson)
- Mr. Bjorn Manuel (Vice Chairperson)
- Ms. Leatitia van der Walt
- Ms. Melanie Telleman
- Ms. Elmari Schwenke
- Mr. Derek Johnstone



*I surround myself  
with driven  
individuals.*

*Whether its book  
smart, street  
smart or  
whatever. Hard  
work  
understands hard  
work. Period.  
Arvin Lal*

## Death Announcements

We learned with regret of the deaths of the following valued members:

- Mr. Ebrahim Suliman, he passed away in June 2021.
- Mr. Reginald Neville Carter, he passed away in August 2021.
- Mr. Constantine Divaris, he passed away in October 2021.

We at the IAC would like to express our sincere condolences to their families. Please keep them in your thoughts and prayers.



## Congratulations to our new and upgraded\* members

<b>Certified Business Rescue Practitioner</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
654478(CBRP)*	Mothoagae	Gobusamang Bernard
<b>Independent Accounting Professional (Reviewer) / Tax Practitioner</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
647997(IAP)(CTP)*	Bote	Sune
655534(IAP)(CTP)*	Davids	Waleed
653319(IAP)(CTP)*	Lebea	Thoriso George
655165(IAP)(CTP)*	Matokazi	Simbonile Patriot
655335(IAP)(CTP)*	Moyo	Blessings
655095(IAP)(CTP)*	van der Walt	Leatitia
621946(IAP)(CTP)*	Winchester	Myrle Helen
<b>Financial Accountant in Practice /Certified Tax Practitioner</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
8834891(FAP/CTP)	Budden	Dillon
4009015(FAP/CTP)	Jacobs	Simon Maxwell
2568776(FAP/CTP)	Wittmann	Richard Kyle
<b>Technical Accountant/Certified Tax Practitioner</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
6225357(TA)(CTP)	Briedenhann	André Jakobus
5167315(TA)(CTP)	Herbert	Keezia Samantha
3781263(TA)(CTP)	Laing	Morné
2495935(TA/CTP)	McKay	Nedean
9824532(TA)(CTP)	Minnaar	Charmaine
7409001(TA/CTP)	Reddy	Samareshni
2124692(TA)(CTP)	Takaindisa	Susan
6354411(TA)(CTP)	Tugwete	Memory Chiedza
<b>Certified Tax Practitioner</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
37881263(CTP)	Biggar	Nicolas
4550434(CTP)	Venter	Christa Elizabeth



## Congratulations to our new and upgraded\* members

<b>Technical Accountant</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
7059432(TA)	Hughes	Glenville Herald Charlie
8530223(TA)	Letsoala	Hellen Manti
2457444(TA)	Malema	Robertson Modercai Abrahams
6678131(TA)	Mkhize	Happiness Nelisiwe
6744783(TA)	Nortjé	Amanda
3330604(TA)	Phaleng	Lerato Vanessa
6014614(TA)	Sheraz	Hira
6312313(TA)	Simkonkone	Kirby
<b>Approved Training Centre</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
325211(ATC)		PLMC Holding Pty Ltd
5919827(ATC)		Primo Accountants
<b>Students on Learnership</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
7731998	Denga	Yankho Gertrude
1899667	Govender	Peroosha
9737837	Letsoalo	Ashley Thapelo
753092	Mngoma	Beryl Noxolo
1813752	Ndzeco	Angel Ntseko
1185085	Smit	Anna-Marie
790318	Vellem	Luvo
<b>Students</b>		
<b>Membership Number</b>	<b>Surname</b>	<b>Name</b>
174977	Maswanganye	Given
5161005	Mnyabiso	Mzuvukile
4948485	Mocheko	Kagiso Morgan
4726048	Motloung	Johannes
8407802	Muchena	Tauwri Alice
71180	Mukumane	Constance Mateboho
6177174	Ncetani	Mandisa
8174233	Sehlare	Moeketsi Elias
7007924	Venter	Nadia
6582447	Zungu	Nokubonga Portia

**INSTITUTE OF  
ACCOUNTING AND  
COMMERCE**

252 Rosmead Avenue  
Wynberg  
7780  
Phone: (021) 761 6211  
Fax: (021) 761 5089  
E-mail: Prakash Singh  
ceo@iacsa.co.za

**ENQUIRIES**

**General:**

Bronwyn Benjamin  
compliance@iacsa.co.za

**Membership**

Soraya Busch  
members@iacsa.co.za

**Finance**

Valencia Williams  
finance2@iac.co.za

**CEO & Technical**

Prakash Singh  
ceo@iacsa.co.za

**Office Hours:**

Monday - Thursday  
08:00 - 16:00  
Friday  
08:00 - 15:30

**www.iacsa.co.za**

***A dynamic world-class professional accounting institute***

**Vision**

To be a dynamic world class Professional Accounting Institute (incorporating related fields) at the forefront of technology and an integrated approach to the profession.

**Mission**

It is the aim of the Institute to be recognised as the pre-eminent Professional Body for Accountants and other related professionals by actively promoting the effective utilization and development of qualified professionals, through the achievement of excellence in standards of professional competence and socially acceptable ethical conduct amongst its members, through a dynamic integrated approach to the legislative and environmental arena.

**Seasons greetings from the IAC Office**



**Prakash Singh**

CHIEF EXECUTIVE OFFICER



**Valencia Williams**

FINANCE OFFICER



**Bronwyn Benjamin**

PERSONAL ASSISTANT



**Soraya Busch**

MEMBERSHIP OFFICER