

PROFESSIONAL

TAX TALK

South Africa's Leading Tax Journal

Issue 87 March/April 2021

EMPLOYMENT ISSUE

*Tax education
& job incentives*

**HIRING
GUIDE
INSIDE!**

sait

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2hrs
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Tell us what you think. Questions and suggestions can be sent to editor@thesait.org.za

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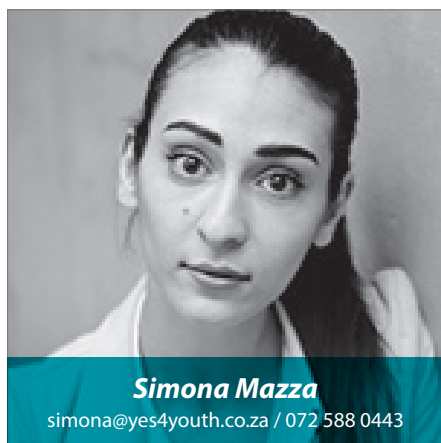
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NOTE THAT THIS SECTION IS HYPERLINKED. SIMPLY CLICK ON A COURSE NAME FOR FURTHER INFORMATION!



BECOMING A TAX PROFESSIONAL

We outline the tax programmes offered by various tertiary institutions – perfect if you are interested in pursuing a career in tax or if you are looking to upskill.

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
Diploma in Accountancy (NQF 6)	Business and Economic Science	-	BBT1211 (Individuals) BBT1212 (Prepaid Taxes, Retirement Benefits and Farming)	BBT2211 (Value-Added Tax and Capital Gains Tax) BBT2212 (Companies)	Mandatory
Advanced Diploma in Accountancy: Professional Accounting (NQF 7)	Business and Economic Science	RATA401 (Taxation: Non-Residents) RATA402 (Taxation: Administration)	-	-	Mandatory
BCom Accounting (NQF7)	Business and Economic Science	-	RTV202 (Taxation 2A)	RTV301 (Taxation 3A) RTV302 (Taxation 3B)	Mandatory
BCom General Accounting (NQF7)	Business and Economic Science	-	RTV202 (Taxation 2A)	RGTV301 (General Taxation 3A) RGTV302 (General Taxation 3B)	Mandatory

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
Postgraduate Diploma in Accounting (NQF8)	Business and Economic Science	-	BCom Accounting with Accounting 3, Taxation 3, Auditing 3 and MAF3 at an average of at least 55% OR Postgraduate Diploma in Accountancy	-	-
Postgraduate Diploma in Accountancy (NQF8)	Business and Economic Science	-	BCom Accounting or BCom General Accounting with General Accounting 3, General Taxation 3, General Auditing 3 and General MAF3 at an average of at least 55%	-	-
MCom Taxation (NQF9) LLM (Taxation)	Business and Economic Science	2 years	BCom (Hons) (Accounting) degree or equivalent OR LLB degree (which includes an appropriate taxation course) and level of competence which is adequate for the purpose of postgraduate studies in taxation	-	August 2021

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Financial Accountancy (NQF7)	Economic and Management Sciences	-	TAXF211 TAXF221	TAXF371	Mandatory
BCom Accounting (NQF7)	Economic and Management Sciences	-	TAXF211 TAXF221	TAXF371	Mandatory
BCom Chartered Accountancy (NQF7)	Economic and Management Sciences	-	TAXC271	TAXC371	Mandatory
BCom Management Accountancy (NQF7)	Economic and Management Sciences	-	TAXF211 TAXF221	TAXF371	Mandatory
BCom Forensic Accountancy (NQF7)	Economic and Management Sciences	-	TAXC271	TAXC371	Mandatory
LLB (Law) (NQF8)	Law	-	Tax Law	Tax Law	Elective

POSTGRADUATE TAX PROGRAMMES

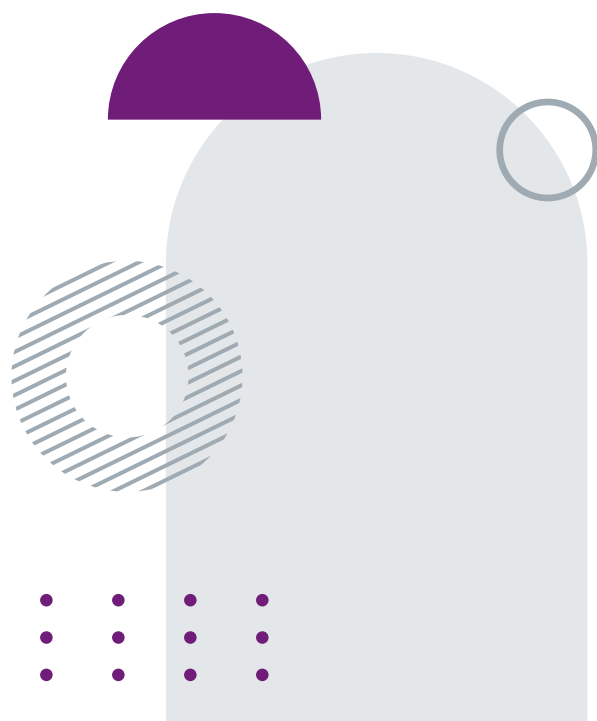
QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATION
PGDip Accountancy (NQF8)	Economic and Management Sciences	-	BCom /BAcc with Accounting, Taxation, Auditing, Management Accounting and Financial Management on third-year level and an average of at least 57% per module	-	30 November annually
BCom Honours in Financial Accountancy (NQF8)	Economic and Management Sciences	Research report in financial accountancy	BCom with Accounting, Taxation, Auditing, Management Accounting and Financial Management on third-year level and Commercial Law (first and second year) An average of 60% for Accounting and Taxation, 55% average for Management Accounting and Financial Management and 50% for other modules	-	30 November annually
MCom Taxation (dissertation) (NQF9)	Economic and Management Sciences	Dissertation	BCom Honours degree	Presentation of a research proposal at a research colloquium	30 November annually
MCom Taxation (lectured) (NQF9)	Economic and Management Sciences	Dissertation	BCom Honours degree, LLB degree or postgraduate diploma on NQF 8, including a final year Taxation module as one of the core modules, for which a mark of at least 60% has been obtained OR BCom Honours (Chartered Accountancy) or CTA, for which the Taxation module was passed	Presentation of a research proposal at a research colloquium	30 September annually
PhD in Economic and Management Sciences with Taxation (minimum 2 years and maximum 4 years of study) (NQF10)	Economic and Management Sciences	Thesis	MCom Taxation or a relevant qualification on NQF9	Presentation of a research proposal at a research colloquium	30 November annually


UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom (Accounting) (NQF7)	Commerce	-	Principles of Professional Accounting	Taxation 3	Mandatory
LLB (Law) (NQF8)	Law	-	-	Tax and Estate Planning	Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
PGDip Accounting (NQF8)	Commerce	-	BCom (Accounting) with Accounting 3, Taxation 3, Auditing 3 and MAF3 and an average of at least 60%	-	1 December annually
PGDip Taxation (NQF8)	Commerce	15 000 words (or 50 pages)	BCom with Accounting 3 and Tax 3, with at least 65% for Tax 3	-	1 December annually
MCom Taxation (NQF9)	Commerce	Coursework and mini-thesis of 30 000 words (or 100 pages)	Honours degree in Accounting or LLB (which includes an appropriate taxation course) with marks not less than 60%	-	-
PhD (NQF10)	Commerce	Full thesis	Master of Commerce with a mark of at least 65%	-	-



UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom (Accounting) (NQF7)	School of Accountancy: Economic and Management Sciences	-	Taxation 298	Taxation 399	Mandatory
BCom (General) (NQF7)	School of Accountancy: Economic and Management Sciences	-	-	Taxation 388	Mandatory

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
MCom Taxation (NQF9)	School of Accountancy: Economic and Management Sciences	Lecture or thesis option (Lecture option: 50 – 80 pages; Thesis option: 160 – 200 pages)	BCom (with law subjects) and LLB, including an appropriate Taxation module, for which a mark of at least 60% has been obtained A 60% aggregate for the degrees overall, during all previous studies	Being selected based on answering a tax question in writing combined with the minimum % as stated Practical experience in the field of taxation obtained through completed traineeship (articles) to register as Chartered Management Accountant (CIMA) or as Attorney Registration as Chartered Management Accountant (CIMA) or as Attorney is required for the full thesis option	31 October of every second year (lecture option)
MAcc Taxation (NQF9)	School of Accountancy: Economic and Management Sciences	Lecture or thesis option (Lecture option: 50 – 80 pages; Thesis option: 160 – 200 pages)	BAccHons, BAccLLB or Postgraduate Diploma in Accounting (after a recognised BCom degree was obtained) At least 60% for Taxation (70% in the case of academic trainees), as subject area and for the degrees in general, during all previous studies Academic trainees must obtain 70% in the BAccHons degree (with the research component)	Selection based on answering a tax question in writing combined with the minimum % at Hons level Practical experience in the field of taxation obtained through completed traineeship (articles) to register as CA (SA) or Attorney (academic trainees are exempted from this requirement) Registration as CA(SA) is required for the full thesis option	31 October of every second year (lecture option)
PGDip Tax Law (NQF8)	Law	Lecture or thesis option (25 000 – 40 000 words)	BAcc or BCom degree LLB degree from this university OR BAcc or BCom degree from this university A graduate from any other university who has been granted the status of LLB, BProc, BCom or BAcc of the university concerned	Admitted to practise as an attorney in any province of South Africa or in Namibia Registered as an accountant with the Public Accountants' and Auditors' Board, or as a Chartered Accountant with SAICA OR Any other academic or professional qualification deemed sufficient for admission	New applications are considered every second year – next intake will be in 2022



UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Accounting: CA (NQF7)	Commerce	-	Taxation I	Taxation II	Mandatory
BCom Accounting: General (NQF7)	Commerce	-	Taxation I	Taxation II	Mandatory
BCom Accounting with Law (NQF7)	Commerce	-	Taxation I	-	Mandatory
BBusSci Finance with Accounting (NQF8)	Commerce	-	Taxation I	Taxation II	Mandatory
LLB Streams (NQF7 or NQF8)	Law	-	-	CML4506F: Tax Law A CML4507S: Tax Law B	Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINES FOR APPLICATIONS
BCom (Honours) Taxation (NQF8)	Commerce	10 000-word technical report	A BCom, BBusSci or equivalent undergraduate degree containing taxation course(s) in the final year of that degree	Academic and/or professional references for all applicants may be requested A CV and academic transcript are required on application An entrance exam or interview may be required	31 December
PGDip Accounting (NQF8)	Commerce	-	Refer to course link for details	Refer to course link for details	31 October
MCom International Taxation (NQF9)	Commerce	25 000-word minor dissertation	NQF8 qualification in Taxation OR NQF 8 qualification in Accounting, including taxation courses at that level OR NQF8 qualification in Law, including taxation courses OR Equivalent international qualification	Professional and/or academic references for all applicants may be requested A CV and academic transcript are required on application An entrance exam or interview may be required	31 October
MCom South African Income Taxation (NQF9)	Commerce	25 000-word minor dissertation	NQF8 qualification in Taxation OR NQF 8 qualification in Accounting, including taxation courses at that level OR NQF8 qualification in Law, including taxation courses OR Equivalent international qualification	Professional and/or academic references for all applicants may be requested A CV and academic transcript are required on application An entrance exam or interview may be required	31 October
LLM International Taxation (NQF9)	Law	25 000-word minor dissertation	Refer to course link for details	Refer to course link for details	30 September
LLM Tax Law (NQF9)	Law	25 000-word minor dissertation	Refer to course link for details	Refer to course link for details	30 September
PGDip Tax Law (NQF8)	Law	12 500-word research paper	Refer to course link for details	Refer to course link for details	30 September

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BAcc (NQF7)	Economic and Management Sciences (EMS)	-	Taxation	Taxation	Mandatory
BCom (Accounting) (NQF7)	Economic and Management Sciences (EMS)	-	Basic Taxation	Taxation	Mandatory

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
BAcc (Hons) / PGCA (NQF8)	Economic and Management Sciences (EMS)	Refer to the UFS EMS rule book	BAcc degree or equivalent with an average mark of 55% in specified module sets and a combined average mark of at least 58% in all core modules	Accounting-related degree obtained not more than 3 years prior to application for noted degree	Information regarding deadlines for applications can be found on the website
PGDip (CA) - Postgraduate Diploma in Chartered Accountancy (NQF8)	Economic and Management Sciences (EMS)	-	BAcc degree or equivalent with at least 55% in specified module sets and an average mark of not less than 58% in all core modules	Accounting-related degree obtained not more than 3 years prior to application for noted degree	Information regarding deadlines for applications can be found on the website
BCom (Accounting) (Hons) (NQF8)	Economic and Management Sciences (EMS)	Refer to the UFS EMS rule book	Weighted average of 60% for all third-year UFS BCom (Accounting) subjects for UFS students or the equivalent at another institution OR Successful completion of a SAICA-accredited degree	Accounting-related degree obtained not more than 5 years prior to application for noted degree	Information regarding deadlines for applications can be found on the website
PGDip (GA) - Postgraduate Diploma in General Accountancy (NQF8)	Economic and Management Sciences (EMS)	-	Weighted average of 60% for all third-year UFS BCom (Accounting) subjects for UFS students or the equivalent at another institution OR Successful completion of a SAICA-accredited degree	Accounting-related degree obtained not more than 5 years prior to application for noted degree	Information regarding deadlines for applications can be found on the website
MCom Degree with Specialisation in Taxation (NQF9)	Economic and Management Sciences (EMS)	Refer to the UFS EMS rule book	Admission subject to approval by the programme director after successful completion of a relevant honours degree with a minimum of 60% or an equivalent qualification at NQF8	Prior submission of a draft research proposal and submission of a full study record (transcript)	Information regarding deadlines for applications can be found on the website
MAcc Degree with Specialisation in Taxation (NQF9)	Economic and Management Sciences (EMS)	-	Admission subject to approval by the programme director after successful completion of a relevant Bachelor of Accounting Honours degree with a minimum of 60% or an equivalent qualification at NQF8	Prior submission of a draft research proposal and submission of a full study record (transcript)	Information regarding deadlines for applications can be found on the website
PhD Degree with Specialisation in Taxation (NQF10)	Economic and Management Sciences (EMS)	Refer to the UFS EMS rule book	Admission subject to approval by the programme director after successful completion of a relevant master's degree with a minimum of 60%	Prior submission of a draft research proposal and submission of a full study record (transcript)	Information regarding deadlines for applications can be found on the website

A CAREER IN THE FIDUCIARY FIELD

calling all accounting postgrads!

The fiduciary field is a niche area for tax practitioners and lies in the intersection of accounting and law.

A “fiduciary” is an individual or company holding assets for another party, often with the legal authority and duty to make decisions regarding financial matters on behalf of the other party. The word “fiduciary” also denotes a legal duty of the utmost good faith.

In South Africa, the fiduciary industry represents the activities of practitioners involved in estate planning, drafting of wills, administering trusts, deceased estates, and beneficiary funds, and supplying tax advice and compliance services.

The Fiduciary Institute of Southern Africa (FISA) is the only professional body focused solely on representing fiduciary practitioners in Southern Africa. FISA is a non-profit organisation that sets high minimum standards for the industry.

FISA members come from trust companies and banks, as well as the accounting, legal, and financial planning professions. FISA helps to smooth processes for members and the public, through its good working relationship with the Master’s Office and the SARS.

So where does tax fit in?

Tax is an important part of the fiduciary profession, as outlined by just two examples below:

The expat tax

On 1 March 2020, an amendment to the Income Tax Act was promulgated, bringing the so-called “expat tax” into play. The amendment is extremely important for those who live, work and own or control assets in more than one country.

Section 9HA – the effect on estate administration

Amendments to the Income Tax Act came into effect in March 2016. These amendments incorporated the capital gains tax (CGT) rules applicable at death (previously contained in paragraph 40-41 of the Eighth Schedule: Capital Gains Tax) into

the new Section 9HA and the revised Section 25 of the Act. In short, Section 9HA deals with CGT in respect of the deemed disposal by a deceased of all assets to the deceased estate, whereas Section 25 deals with the tax treatment of the deceased estate. The deceased estate is now a separate tax payer and it became possible that CGT may arise in the deceased estate.

Candidate membership of FISA

If the above piques your interest, why not consider becoming a candidate member of FISA? This will give you all the benefits of being a full FISA member, except that you will have no vote at meetings. A candidate member is invited to all regional meetings and technical presentations and must apply for full membership upon reaching three years’ experience in the industry.

Then consider doing the Advanced Diploma in Estate and Trust Administration at the University of the Free State (distance learning), following which you can apply to FISA to be considered for the professional designation, Fiduciary Practitioner of SA® (FPISA®).

Tax-related court cases

FISA has built a fine reputation for reporting on and summarising court cases relevant to the fiduciary industry. Two examples of court cases relating to tax are:

In Breetzke and Others NNO v Alexander NO and Others [2020] ZASCA 97 a trustee did not disclose a profit he made after buying and then selling a property from the trust.

Vermaak NO and Another v Jacobs and Others [2019] ZAGPJHC 346 is about how a court will deal with evidence about a testator’s soundness of mind.

Visit the court case archive and find out about FISA and candidate membership at www.fisa.net.za.



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UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom (Accounting) (NQF7)	Management and Commerce	-	Taxation 2A	Taxation 3	Mandatory
BCom (General Accounting) (NQF7)	Management and Commerce	-	Taxation 2A	Taxation 3	Mandatory

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
BCom Honours (NQF8)	Management and Commerce	15 000 words (or 50 pages)	BCom with Taxation 3	60% for Taxation 3	Applications for 2022: 30 September 2021



031 260 1079 | www.ukzn.ac.za

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom (Acc) (NQF7)	School of Accounting Economics and Finance	-	-	Taxation 3	Mandatory
BCom (General) (NQF7)	School of Management Information Systems and Governance	-	-	Taxation 3	Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
LLM (Taxation) (NQF9)	School of Law	20 000-word dissertation	LLB OR BProc with a minimum overall average of 60%	-	30 October
Postgraduate Diploma in Accounting (NQF8)	School of Accounting Economics and Finance	No research requirement	SAICA-accredited BCom undergraduate degree	Students must pass all four modules in one sitting or over two years	Refer to course details on website for details
Master of Accountancy in Taxation (MAC-TX) (NQF9)	School of Accounting Economics and Finance	20 000-word dissertation	Bachelor Honours degree in Accounting OR Postgraduate Diploma in Accounting OR Bachelor of Laws	-	30 November

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
Bachelors of Accounting (CA-stream) (NQF7)	College of Business and Economics	-	TAX 200	TAX300	Mandatory
BCom Accounting (NQF7)	College of Business and Economics	-	TAX02A2	TAX03A3 / TAX03B3	Mandatory
LLB Law (NQF8)	Faculty of Law	-	-	-	Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
BCom (Honours) Taxation (NQF8)	College of Business and Economics	Refer to course link for details	BCom or an advanced diploma Should have appropriate knowledge of accounting, taxation, and governance and control on new NQF7	An average mark of 60% in undergraduate studies, including a minimum mark of 60% in taxation in the final year of studies (The department may require the completion of a bridging programme, should students not comply with the rules of access)	Refer to website for details
MCom South African and International Taxation (NQF9)	College of Business and Economics	Minor dissertation (90 credits)	Honours or a post-graduate diploma in accounting or tax-related honours on NQF Level 8 OR Any other four-year qualification with honours status on NQF Level 8 and related taxation experience	Work experience in the tax field and outline of possible research idea is considered in the selection of candidates	Refer to website for details
MCom South African and International Taxation (NQF9)	College of Business and Economics	Full scope dissertation (180 credits)	Honours or a post-graduate diploma in accounting or tax-related honours on NQF Level 8 OR Any other four-year qualification with honours status on NQF Level 8 and related taxation experience	Work experience in the tax field and outline of possible research idea is considered in the selection of candidates	Refer to website for details
PGDip International Tax Law (NQF10)	Law	-	MCom (Taxation) or LLB or LLM (Tax Law) or HDip (Tax Law) or any Bachelor's degree plus extensive corporate taxation experience	Only a limited number of students will be admitted and no correspondence will be entered into with unsuccessful applicants	Refer to website for details
PGDip Tax Law (NQF10)	Faculty of Law	Full scope dissertation	LLB or BProc or BCom or CA	Thesis: Taxation TTA10X1 & TTA10X2	Refer to website for details



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UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 MODULES	YEAR 3 MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Accounting (NQF7)	Economic and Management Sciences	-	Taxation 200 (BEL200)	Taxation 300 (BEL300)	Mandatory
BCom Law (NQF7)	Economic and Management Sciences	-	Taxation 200 (BEL200)	Taxation 300 (BEL300)	Elective
BCom Financial Sciences (NQF7)	Economic and Management Sciences	-	Taxation 200 (BEL200)	Taxation 300 (BEL300)	Mandatory
BCom Informatics (NQF7)	Economic and Management Sciences	-	Taxation 200 (BEL200)	Taxation 300 (BEL300)	Elective
LLB Law (NQF8)	Law	-	-	Tax Law 310 (BLR310) Tax Practice 420 (BLP420) – 4th year module	Mandatory Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
Postgraduate Diploma (PGD) in Accounting Sciences & Certificate in the Theory of Accounting (CTA) (NQF8)	Economic and Management Sciences	-	BCom Accounting OR Relevant SAICA accredited degree	Weighted average of 57% for Auditing, Financial Accounting, Financial Management and Taxation at final-year level At least 53% for each of Auditing, Financial Accounting, Financial Management and Taxation at final-year level	All students: 31 October
BCom (Honours) Taxation (NQF8)	Economic and Management Sciences	Research methodology and technical report	BCom including third year taxation and financial accounting modules	At least 60% for taxation module	SA students: 31 October International students: 31 August
MCom Taxation (course-work) (NQF9)	Economic and Management Sciences	Mini-dissertation	Relevant honours degree/postgraduate qualification Relevant tax modules at postgraduate level	At least 60% for the BCom Hons degree or postgraduate qualification Relevant work experience in a tax environment	SA students: 31 October International students: 31 August
MCom Taxation (full dissertation) (NQF9)	Economic and Management Sciences	Dissertation	Relevant honours degree/postgraduate qualification Relevant tax modules at postgraduate level	At least 60% for the BCom Hons degree or postgraduate qualification Relevant work experience in a tax environment	SA students: 31 October International students: 31 August
MPhil International Taxation (course-work) (NQF 9)	Economic and Management Sciences	Mini-dissertation	Relevant honours degree/postgraduate qualification Relevant tax modules at postgraduate level	At least 60% for the BCom Hons degree or postgraduate qualification Relevant work experience in a tax environment Proficiency in English (written and spoken)	SA students: 31 October International students: 31 August

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
PhD Taxation (NQF10)	Economic and Management Sciences	Thesis	Relevant master's degree	At least 65% for the master's degree	SA students: 31 October International students: 31 August
MPhil Taxation (course-work) (NQF9)	Economic and Management Sciences	Mini-dissertation	A four-year bachelor's or honours degree in Accounting, Economics, Law, Public Administration, or a closely related degree	Relevant work experience Successful completion of the ATI's selection process (including entrance exam) Personal resume to be submitted with application form	SA students: 31 October International students: 31 August
PhD Tax Policy (NQF10)	Economic and Management Sciences	Thesis	MPhil Taxation (from UP) or Master's in Economics or Law	Personal resume and draft research proposal (2 000 to 3 000 words) to be submitted with application (registration and admission dependent on proof of passing the TOEFL or another acceptable English language proficiency test) At least 65% for the master's degree Relevant work experience	SA students: 31 October International students: 31 August
LLM Tax Law (course-work) (NQF9)	Law	Mini-dissertation	LLB degree or equivalent Successful completion of a module in taxation as part of the undergraduate degree or show experience in tax environment	Average of 65% for LLB or similar degree	30 November
LLM Law (Research) (NQF9)	Law	Dissertation	LLB degree or equivalent Successful completion of a module in taxation as part of the undergraduate degree or show experience in tax environment	Average of 65% for LLB or similar degree	31 January of the enrolment term
LLD Law (NQF10)	Law	Thesis	Refer to website for details	-	31 January of the enrolment term
PhD Law (NQF10)	Law	Thesis	Refer to website for details	-	31 January of the enrolment term
MPhil Law (NQF9)	Law	Dissertation	Refer to website for details	-	31 January of the enrolment term

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	YEAR 4 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Accounting (Taxation) (NQF7)	Accounting Sciences	-	Principles of Taxation Tax Administration	TAX3701 Taxation of Business Activities TAX3702 Taxation of Individuals TAX3703 Taxation of Estates TAX3704 Tax Administration; TAX3705 Tax Opinion Writing TAX3761 Taxation of Business Activities and Individuals (new year module replacing TAX3701 and TAX3702 from 2020)	-	Mandatory
LLB (NQF8)	Law	-	-	-	LML4804 Tax Law	Elective

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
PGDip Taxation (NQF8)	Accounting Sciences	-	TAX4861 - Advanced Taxation; TAX4863 Advanced Tax Case Law; TAX4864 Advanced Tax Capita Selecta OR Appropriate NQF7 level in the field of Accounting Sciences from an accredited provider of higher education	Refer to website for details	Semester modules & the CTA: 3 January - 3 February 2021 Year modules: 3 January - 29 March 2021
MCom Acc (Taxation) (NQF9)	Accounting Sciences	Dissertation of limited scope (10 000–15 000 words)	Appropriate honours bachelor degree OR Appropriate postgraduate diploma OR Appropriate 480-credit bachelor degree with a minimum of 96 credits at NQF 8 (All in the field of Accounting Sciences)	Refer to website for details	3 January – 29 March 2021
MPhil Acc (Taxation) (NQF9)	Accounting Sciences	Full dissertation (25 000 – 45 000 words)	Appropriate honours bachelor degree OR Appropriate postgraduate diploma OR Appropriate 480-credit bachelor degree with a minimum of 96 credits at NQF 8 (All in the field of Accounting Sciences)	TFTAX02 - Thesis: Taxation and DPCAS02 - Doctoral Proposal in Accounting Sciences	3 January – 29 March 2021
PhD Acc (Taxation) (NQF10)	Accounting Sciences	Full dissertation (40 000 – 100 000 words)	A master's degree in the field of Accounting Sciences	Transcript of academic record, as well as a document describing the intended research and preferred focus area	3 January – 29 March 2021
LLM (Tax Law) Coursework (NQF9)	Law	Dissertation of limited scope (10 000 – 15 000 words)	A South African LLB degree OR A foreign LLB degree (minimum 4 years) OR A BProc OR A Postgraduate Diploma in Law on NQF8 OR A foreign LLB degree (minimum 3 years) and 4 LLB modules selected from the NQF8 modules in the LLB degree, of which one must be the compulsory research module OR A foreign LLM	Transcript or an academic record	3 January – 29 March 2021

UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Accounting (NQF7)	Commerce, Law and Management	-	Taxation II	Taxation III	Year 2: Mandatory Year 3: Elective
BAccSci – Accounting Science (NQF7)	Commerce, Law and Management	-	Taxation II	Taxation III	Year 2 and 3: Mandatory
LLB (Law) (NQF7)	Commerce, Law and Management	-	Depends on 4-year, 3-year or 2-year stream chosen	Depends on 4-year, 3-year or 2-year stream chosen	Depends on 4-year, 3-year or 2-year stream chosen

POSTGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
BAccSci (Honours) – Honours in Accounting Science (NQF8)	Commerce, Law and Management	Mini research report required	BAccSci (from Wits) and having passed all 4 main subjects in the prior year	Minimum of 60% for each subject with an overall average of 65% Additional entry requirements may apply	Refer to website for details
PGDip Accountancy (SAICA Chartered Accountant route) (NQF8)	Commerce, Law and Management	-	BAccSci (from Wits) and having passed all 4 main subjects in the prior year	Additional entry requirements may apply	Refer to website for details
PGDip Specialised Accountancy (Association of Chartered Certified Accountants route) – Taxation elective (NQF8)	Commerce, Law and Management	-	BCom General (Major in Accounting) OR BAccSci OR Any other undergraduate degree if the candidate has displayed relevant skills and competencies	Passing examinations by recognised IFAC accountancy bodies	Refer to website for details
PGDip Taxation (NQF8)	Commerce, Law and Management	-	BAccSci (from Wits)	Additional entry requirements may apply	Refer to website for details
PGDip Law (NQF8)	Commerce, Law and Management	-	Bachelor of Laws with an average of at least 65%	Additional entry requirements may apply	Refer to website for details
MCom Taxation (NQF9)	Commerce, Law and Management	Completion of a 50% research report	A bachelor degree with honours or an appropriate postgraduate diploma	South African qualified chartered accountants or lawyers who have had at least 2 years of experience beyond the accountancy or law school and who have committed themselves to a career in taxation Additional entry requirements may apply	Refer to website for details

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
LLM General (NQF9)	Commerce, Law and Management	Completion of a 10 000-word research report	Bachelor of Laws with an average of at least 70%	South African qualified chartered accountants or lawyers who have had at least 2 years of experience beyond the accountancy or law school and who have committed themselves to a career in taxation Academic writing submissions may be required Additional entry requirements may apply	Refer to website for details
LLM Tax Law (NQF9)	Commerce, Law and Management	Completion of a 10 000-word research report	Bachelor of Laws with an average of at least 70%	South African qualified chartered accountants or lawyers who have had at least 2 years of experience beyond the accountancy or law school and who have committed themselves to a career in taxation Academic writing submissions may be required Additional entry requirements may apply	Refer to website for details

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UNDERGRADUATE TAX PROGRAMMES

QUALIFICATION NAME	FACULTY	YEAR 1 TAX MODULES	YEAR 2 TAX MODULES	YEAR 3 TAX MODULES	MANDATORY OR ELECTIVE MODULES?
BCom Accounting (NQF7)	EMS Faculty	-	TAX228 (1 st semester) TAX212 (2 nd semester)	TAX327	Mandatory
BCom Financial Accounting (NQF7)	EMS Faculty	-	TAX242 (2 nd semester)	TAX343	Mandatory

POSTGRADUATE TAX PROGRAMME

QUALIFICATION NAME	FACULTY	RESEARCH PAPER REQUIREMENT	EDUCATIONAL ADMISSION REQUIREMENTS	OTHER ADMISSION REQUIREMENTS	DEADLINE FOR APPLICATIONS
Postgraduate Diploma in Accounting (PGDA) (NQF8)	EMS Faculty	No	BCom Accounting	Average of 57.5% and 55% for each of the 4 disciplines	November

THE JOBS CRISIS: Unemployment rate increases



► **LULLU KRUGEL**, lullu.krugel@pwc.com

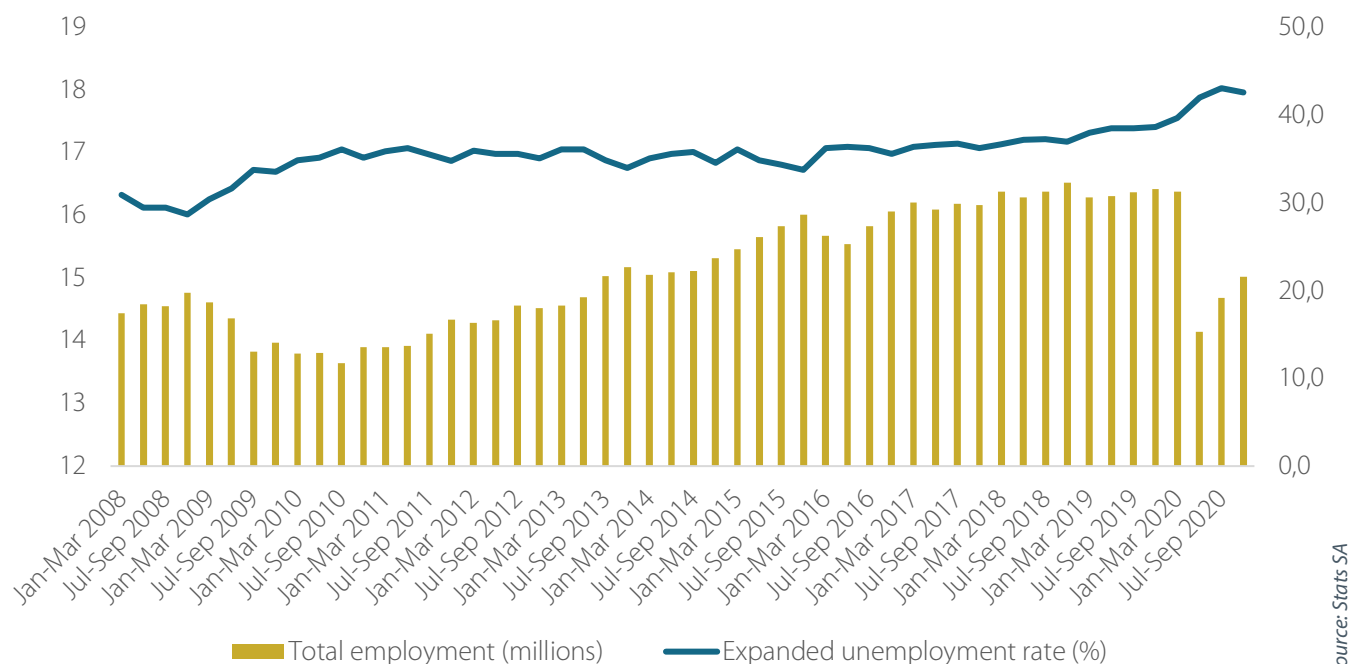
South Africa's long-standing unemployment problem deteriorated as the South African economy first entered a recession in early 2020 and then took a dive due to COVID-19. What is the outlook for employment in the next two years?

Statistics South Africa (Stats SA) reported on 23 February 2021 that employment in South Africa increased by 333 000 in the fourth quarter of 2020. The data indicated that after the country lost 2.2 million jobs in the second quarter of 2020, some 876 000 individuals returned to work or found new jobs during the second half of the year. Based on our economic scenarios for the year, PwC forecasted a net loss of 1.3 to 1.4 million jobs in 2020 – the final Stats SA figure of 1.397 million was near the top of our range. At this rate, we estimate that it will take three to four years for the total number of employed to return to 2019 (i.e. pre-pandemic) levels.

Note that the speed of employment recovery so far, as reported by Stats SA, is slower than that suggested by the National Income Dynamics Study – Coronavirus Rapid Mobile Survey (NIDS-CRAM) released earlier in February. This is due to different samples being used for the respective surveys. The Stats SA Quarterly Labour Force Survey polls +/- 33 000 households involved in its other household-based surveys, based on representativeness considerations rooted in Census 2011. In turn, the NIDS-CRAM surveys the same +/- 7 000 individuals – a much smaller sample – tracked since 2008. Data from the two sources are therefore not directly comparable.



EMPLOYMENT IS SLOWLY RECOVERING FROM THE 2020Q2 PLUNGE



Despite gains in employment, the official (narrowly defined) unemployment rate increased from 30.5% in the third quarter to a record high of 32.5% most recently. This is largely explained by a decline in the number of people classified as 'not economically active'. Many of these non-active people were classified as 'discouraged' during quarter three of 2020, meaning that they had given up on finding a job. In turn, a larger number of them expected opportunities for re-employment as lockdown restrictions eased and the economy reopened during the fourth quarter. As these people returned to the 'unemployed category' of active job seekers, the number of unemployed looking for a job increased by 700 000 – and pushed up the unemployment rate.

South Africa's youth in particular are burdened by high unemployment levels, with those aged 15 to 34 years (4.3 million youths) making up an estimated 60.0% of the total number of unemployed individuals in South Africa during the fourth quarter of 2020, according to Stats SA. The percentage of youth not in employment, education or training also increased by 1.7 percentage points, from 40.1% in quarter four of 2019, to 41.8% for the same period in 2020. This amounts to approximately 8.5 million youths not in employment, education or training. Education plays a large role in unemployment, with 52.4% (3.8 million) of South Africa's total number of unemployed aged 15 to 65 years having only completed primary education or lower in quarter four of 2020. In quarter one of 2019, Stats SA also found that youth unemployment among graduates was lower than that of other education levels. This is due to employers preferring to employ workers with a higher level of education.

On an industry level, eight of the major sectors tracked by Stats SA recovered jobs during the fourth quarter, with mining and finance the only areas where employment declined again compared to 2020 quarter three. Community and social services jobs increased by 170 000 under the Presidential Employment Stimulus programme. By January this year, the scheme had created or

supported 430 000 jobs, with a further 180 000 opportunities currently in the recruitment process. Admittedly, this will fall short of the 800 000 jobs promised in the Economic Reconstruction and Recovery Plan announced in October 2020.

Jobs outlook for 2021

PwC's employment scenarios for 2021 are based on different perspectives on a third wave of COVID-19 infections. Despite the roll-out of a vaccine programme, medical experts agree that the pace of vaccinations will not enable us to avoid a third wave. The severity of this mid-year wave, and the accompanying strictness of associated lockdowns, will directly determine the nature of the economic recovery. Our baseline scenario sees lockdown restrictions ease further in March followed by a return to the stricter full Level 3 in May to combat a third wave of COVID-19 infections during winter.

Under our baseline scenario, South Africa's economy will grow by 3.5% this year and add around 420 000 jobs. We expect total employment to return to 2019 levels (i.e. pre-pandemic) by 2023 or 2024. However, by then, a large number of new workers will have been added to the labour force. As such, PwC expects the narrowly defined unemployment rate to decline only slowly, and it could take nearly a decade for the unemployment rate to return to the pre-pandemic level.

"In quarter one of 2019, Stats SA also found that youth unemployment among graduates was lower than that of other education levels."



Better than expected tax collections a green shoot

Despite the jobs scenario, however, tax collections surprised on the upside across the board, including for personal income taxes. PwC expected tax income in the current year to be between R100 billion and R108 billion higher than forecast in the Medium-Term Budget Policy Statement (MTBPS). The National Treasury has put the number at R99.6 billion. The better-than-expected tax performance over the past several months, and expectations of this positive outturn continuing in the short term, were anticipated to allow the finance minister leeway to avoid tax hikes. MTBPS 2020 suggested that tax increases would be needed to collect an additional R5 billion in the 2021/2022 fiscal year – this amount will now be more than covered by the current outperformance in tax receipts. On this basis, the finance minister avoided the need to lift income tax rates both now and over the medium term during Budget 2021.

Responding to the structural unemployment challenge

South African employment (both formal and informal) was 8.5% y-o-y lower in the fourth quarter of 2020 – in other words, one in 12 jobs was lost. This will compound the existing challenges seen prior to the pandemic in creating enough value-adding jobs in South Africa. PwC recently commented that South Africa's key challenges – unemployment and inequality – have now become considerably more severe through the pandemic and can no longer be approached in the traditional way. An entirely new approach by the government is needed to resolve this issue.

We have warned that in demographically young economies like South Africa, governments will be faced with chronically high youth unemployment over the full spectrum of education levels. According to PwC, there are a number of labour-related considerations for governments to address unemployment and adjust to the COVID-19 new normal:

- Respond quickly to contain the impact: Prioritising most vulnerable groups, particularly SMEs who are at risk of business failure and self-employed individuals who may find themselves facing unemployment and underemployment for the foreseeable future, is key.
- Embrace the current situation: To optimise costs, organisations like governments must assess their internal workforce requirements in terms of resource availability and capacity. Many organisations could be experiencing an increase in underemployment levels and should redistribute and redeploy workers based on the demand and supply of available resources.
- Advance prospects of success: Governments may consider supporting the unemployed in finding work by implementing country-wide job matching portals or programmes, partnering with organisations and giving wage subsidies, and providing start-up support for entrepreneurs with difficulties finding capital.
- Cultivate workforce capabilities: The COVID-19 pandemic has only accelerated the inevitable need to transition to the new normal – remote working and a more mobile and adaptive economy. There are many skills gaps that arise within the contemporary workforce as new digital trends continue to accelerate the need to enhance digital skills.
- Transform ideas into realities: Sustainable and adaptive long-term strategies will act as the backbone for ensuring a successful and swift economic and employment recovery. While many countries continue to make efforts to diversify revenue streams, this pandemic has highlighted the need to accelerate the transition towards a more self-sustainable economy.



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FUNDING INFRASTRUCTURE INVESTMENTS: INSTILLING HOPE AND PROSPERITY THROUGH JOB CREATION

► **NADIA RAWJEE**, nadia@uzenzele.com

Our article looks at the role infrastructure investment can play in creating much needed new jobs in a recovering economy.

While COVID-19 has been extremely damaging to both the South African and global economies, we believe that it has also triggered a massive reset that has placed a focus on core economic drivers. This is evident in the “massive rollout of infrastructure throughout the country” announced by President Cyril Ramaphosa in the 2021 State of the Nation Address.

Funding infrastructure investments is a time-honoured policy that will provide an immediate lift to our economy and create much needed jobs as we begin to rebuild the economy.

Infrastructure is at the heart of South Africa’s Economic Reconstruction and Recovery Plan with the announcement of the R340 billion project pipeline in network industries and the R100 billion Infrastructure Fund.

The Infrastructure Fund will play a key role

The Infrastructure Fund initiative was first announced in September 2018 and builds on efforts to transform South Africa’s approach to the financing of infrastructure projects. The fund aims to improve the quality and speed of delivery of these projects.

The Development Bank of Southern Africa (DBSA) was appointed in August 2020 to establish, operationalise, manage and administer over the next 10 years the R100 billion that constitutes the Infrastructure Fund.

As an advisory firm that works closely with entrepreneurs working on infrastructure projects, we can attest to the operationalisation of the fund and the appetite from dealmakers within the fund to receive well-packaged, large-scale, bankable projects in industries, including energy, water, transport and telecommunications as well as social housing and student accommodation, private education and healthcare, which are within the mandate of the DBSA.

The Infrastructure Fund – which supports both private and public sector projects – will be used as gap funding for large-scale infrastructure investments. The support will take different forms, including to fund deserving infrastructure projects, blended co-funding, capital subsidies or interest rate subsidies and guarantees.

The focus is on private-sector-led projects where we support project owners and sponsors (who are post-pre-feasibility but pre-bankability) in assessing eligibility and preparing their applications alongside their existing technical and other professionals.

The biggest bottleneck is identifying credible and sufficiently advanced projects that meet the requirements and mandate of the fund. Part of the challenge is that these are unique to each industry. Most project owners and clients have a limited understanding and appreciation for the level of detail which will be required to pull projects over the line and to financial close and draw-downs.

Where projects are at an earlier stage, the DBSA, on a case-by-case basis, can provide project preparation funding which takes a project from concept to the pre-feasibility phase and then to the bankable feasibility phase. Pre-feasibility considers an early-stage analysis and desktop review to conclude the best-suited options available to move forward with the project. At the pre-feasibility phase, it is imperative to investigate if any fatal flaws may prevent financing, implementation and operation.

There are two critical components to all transactions:

1. The project structure - This must include a strong counterparty with appropriate and verifiable experience in the sector.
2. The level and availability of equity (both sweat and/or hard equity) - While sweat equity and land can often contribute to the equity structure of a project, each transaction is assessed on its merit.

Typically, the DBSA prefers larger projects or portfolios and does not fund below R50 million.

The DBSA, like other development financial institutions, does not re-finance projects, but can provide finance in the form of equity or mezzanine and senior debt. The DBSA's business model is based on the requirement that the bank should remain financially sustainable, whilst delivering its development mandate.

The DBSA is accepting applications to the B-BBEE Equity Financing Framework to finance equity participation of new black entrants in the ownership of infrastructure projects in South Africa.

In addition to the DBSA's social infrastructure mandate, the Industrial Development Corporation and the Department of Trade, Industry and Competition finance critical infrastructure, including access to power and water for industrial projects.

The Critical Infrastructure Programme

The Department of Trade, Industry and Competition's Critical Infrastructure Programme (CIP) provides cash incentives of up to R50 million on a matching of between 10% and 90% of the infrastructure cost associated with the establishment or expansion of an industrial (manufacturing or mining) project that creates additional jobs.

The incentive is for large-scale investments and supports bulk and network infrastructure necessary to make industrial projects viable and bankable. The CIP supports both municipal and private businesses to invest in the infrastructure of local economies and to create new jobs.

In addition to the stated funds, South Africa and Africa can attract billions of dollars in finance from over 44 funding institutions and funds for infrastructure globally.

The single biggest challenge for all stakeholders and funders remains in finding (or preparing) projects that are ready and appropriate for these varied fund mandates and requirements.

Infrastructure investment is a tool that will be used globally to recover from the impact of COVID-19, and in South Africa it will be no different. Infrastructure investment is a catalyst for future economic growth and establishes the enhanced wellbeing of citizens by instilling hope and prosperity in the form of jobs.

It will, however, take both the public and private sector working closely together to execute a successful infrastructure-led job creation agenda – which is in the interest of every citizen as we grow our economy and tax base.

T

TAX EXEMPTION BURSARIES: A FALSE SALARY SACRIFICE?



► **MANSOOR PARKER**, mparker@ENSafrica.com, **PIERRE BOTHA**, pbotha@ENSafrica.com, **JULA MABENA**, jmabena@ENSafrica.com & **OLIVIA BERNSTEIN**, obernstein@ENSafrica.com

Employees and their relatives who were awarded scholarships and bursaries benefited from a tax exemption since 2006, but this programme became the subject of controversy in 2020. Read more in our article about a perceived false salary sacrifice for deadweight loss education and the legislative amendments passed in 2020 to curb the perceived abuse.

Section 10 of the Income Tax Act exempts certain receipts and accruals from normal tax (e.g., income tax on individuals and companies). One such exemption is contained in section 10(1)(q) which exempts any bona fide bursary or scholarship that is granted to assist or enable any person to study at a recognised educational or research institution.

A history of the section 10(1)(q) programme

Section 10(1)(q) was first introduced in 1992 and excluded any bursary or scholarship granted to an employee where the employee's salary package was subject to an element of salary sacrifice. In this regard, the Explanatory Memorandum on the Income Tax Bill, 1992, reads as follows: "Where the bursary is granted to an employee due to services rendered and the grant is linked to a reduction or forfeiture of any remuneration to which the employee is entitled or may become entitled, this exemption will not apply. Any bona fide bursary which is granted to an employee where there is no associated reduction or forfeiture in remuneration, will therefore not be taxable."

In short, salary sacrifice occurs when an employee reduces his or her taxable income for an equivalent, but tax-free, benefit.

In 2006 SARS announced that drawing a distinction between bursaries and scholarships that were and were not subject to an element of salary sacrifice was too cumbersome. It was further announced that skills development was to be prioritised and that, as a result, the element of salary sacrifice was to be removed from the ambit of section 10(1)(q). To this end, it was determined that employee bursaries and scholarships will remain exempt, subject to the requirements that funds are used exclusively for tuition are:

- A bursary or scholarship is granted to an employee to assist them with their studies and that employee undertakes to repay their employer should they not comply with the requisite bursary and scholarship obligations
- A bursary or scholarship is granted to the relative of an employee if:
 - » The employee receives a "remuneration proxy" not exceeding the threshold set by Treasury (currently R600 000) in a year of assessment
 - » The bursary or scholarship awarded does not exceed R20 000 in respect of Grades R to 12; R20 000 in respect of a qualification at NQF level from 1 to 4; or R60 000 in respect of a qualification at NQF level from 5 up to and including 10

As such, this tax exemption existed regardless of whether or not the bursary or scholarship was coupled with an element of salary sacrifice. Furthermore, in the 2006 tax amendments, section 23(j) of the Income Tax Act, which made salary sacrifice payments by employers non-deductible for the employers, was deleted.

The aforementioned amendments to sections 10(1)(q) and 23(j) made this arrangement attractive for employees, who were able to reduce their tax liabilities, as well as to employers who were able to deduct these expenses from their taxable income. This employer–employee benefit was further boosted as a result of the 2015 #FeesMustFall movement, which saw an increased governmental commitment to broadening access to education. In the 2016 Budget Speech, the Minister of Finance emphasised the need to "continuously improve our education and health systems" and "support skills development". It was against this backdrop that the qualifying income threshold for the employees



"The employer–employee benefit was further boosted as a result of the 2015 #FeesMustFall movement, which saw an increased governmental commitment to broadening access to education."

increased from R250 000 to R400 000 per annum. This was further increased in 2017 to R600 000. This second increase is of significance since it reflects the amount associated with the “missing middle”, as established by the Department of Higher Education and Training. The “missing middle” are those who are too poor to afford university themselves, but not poor enough to be eligible for government funding. Hence, section 10(1)(q) is a critical tool available to this group.

Government concerns and the most recent amendment to section 10(1)(q)

Treasury noted that section 10(1)(q) was being over utilised by employers and employees, thereby burdening the fiscus. In the Explanatory Memorandum to the 2020 Draft Taxation Laws Amendment Bill (Draft TLAB), Treasury explained that, more often than not, schemes were developed by external institutions and marketed to the employers as a means of providing tax-exempt bursaries and scholarships to the relatives of employees at no additional cost to the employer. Furthermore, as the employee funded their relatives’ studies by way of a salary sacrifice, the schemes merely reclassified employees’ income as a tax-exempt bursary and scholarship granted to the relatives of employees.

To this end, Treasury announced that, with effect from 1 March 2021, section 10(1)(q) will revert to its original 1992 form and no longer exempt

- ▶ bursaries and scholarships that are subject to an element of salary sacrifice. Initially in the 2020 Draft TLAB, it was proposed that the exemption would only be available if the bursary or scholarship was not restricted to employees and their relatives, but rather an open bursary and scholarship scheme available to all members of the public. After public consultation, however, it was determined that this requirement would be costly and burdensome on employers and was accordingly abandoned in the final version.

The revised version of section 10(1)(q) stipulates that a bursary or scholarship will not qualify as an exemption if “any remuneration to which the employee was entitled or might in the future have become entitled was in any manner whatsoever reduced or forfeited as a result of the grant of such scholarship or bursary”. In this regard, bursaries and scholarships subject to an element of salary sacrifice are, once again, no longer exempt under section 10(1)(q).

It must be noted that, unlike the 1992 version, the employer deduction in relation to bursaries and scholarships that are subject to salary sacrifice is still permitted.

Concerns about the section 10(1)(q) amendment

The current amendment to section 10(1)(q) is riddled with socio-economic challenges. Many government sectors, including Treasury, have emphasised that education is a critical tool through which the government can alleviate poverty and improve our disheartening socio-economic circumstances.

In light of the high cost of education and skills shortages facing South Africa, limiting the opportunity for residents to acquire an education is short-sighted. Broadening access to education will enlarge the future tax base by equipping residents with the necessary education, skills and training to enter the job market. Consequently, limiting the education opportunities available to future taxpayers is counter-intuitive.

Middle-income employees have relied on this exemption to empower themselves and their relatives with an education. This amendment may hamper the attempts being made to advance access to affordable education at a time when investment in education is essential.

Furthermore, while the amendment is premised on the “loss to the fiscus”, it has not been made clear what the actual loss is.

While there may be valid apprehensions regarding avoidance, these concerns could, and should, be quelled without slowing the momentum gained in relation to funding education.

While employers can still use this incentive to encourage and facilitate education, its use will not be as widespread. This is because, previously, the employer was able to set off the cost of the bursary and scholarship against the salary of the qualifying employee. This is no longer the case as the expense of any bursary and scholarship awarded will only come as a cost to the employer or, alternatively, the employee will be liable for the tax levied thereon.

It is critical that consideration be given to striking a balance between the need to protect the fiscus and the equally important need to foster investment in education.



"Broadening access to education will enlarge the future tax base by equipping residents with the necessary education, skills and training to enter the job market. Consequently, limiting the education opportunities available to future taxpayers is counter-intuitive."

LEARNERSHIP AGREEMENT TAX ALLOWANCE: Incentivising your employment strategy



► **NICOLE DE JAGER**, Nicole.deJager@kpmg.co.za

This article takes you on a tour of the tax allowance available to employers that enter into learnership agreements aimed at upskilling employees, and illustrates the cash benefits involved.

One only needs to listen to recent State of the Nation Addresses by the President and Budget Speeches by the Minister of Finance to see that Government continues to focus on educational spend and creating employment. Various funding programmes and tax allowances are already in place to realise Government's objective in respect of job creation and the upliftment of employees.

One such incentive is the section 12H Learnership Agreement tax allowance, as contained in the Income Tax Act. Section 12H provides an additional tax deduction (over and above the income tax deductions normally available to taxpayers, such as salaries and wages) to employers who have entered into registered learnership agreements with employees on or after 1 October 2001, but before 1 April 2022. The objective of this additional tax allowance is to provide an incentive to train employees in a regulated environment, to encourage skills development and job creation. This comprises both an annual and a completion allowance.

What are the benefits to employers?

Section 12H was introduced in October 2001 but was later amended (effective 1 October 2016) to target employees most vulnerable to unemployment due to a lack of relevant qualifications. The additional tax allowance in respect of registered learnership agreements entered into before 1 October 2016 targeted all skills levels equally, and only distinguished between employees who were disabled and those who had no disabilities. The amended section now includes a distinction between learners holding National Qualifications Framework (NQF) levels 1 to 6 and NQF levels 7 to 10 qualifications.



SECTION 12H LEARNERSHIP AGREEMENT TAX ALLOWANCES

LEARNERSHIPS ENTERED INTO BEFORE 1 OCTOBER 2016			
ANNUAL ALLOWANCE*		COMPLETION ALLOWANCE**	
LEARNER WITH NO DISABILITY	LEARNER WITH A DISABILITY	LEARNER WITH NO DISABILITY	LEARNER WITH A DISABILITY
R30 000	R50 000	R30 000	R50 000

LEARNERSHIPS ENTERED INTO AFTER 1 OCTOBER 2016				
	ANNUAL ALLOWANCE*		COMPLETION ALLOWANCE**	
NQF LEVEL OF THE LEARNER	LEARNER WITH NO DISABILITY	LEARNER WITH A DISABILITY	LEARNER WITH NO DISABILITY	LEARNER WITH A DISABILITY
1 – 6	R40 000	R60 000	R40 000	R60 000
7 – 10	R20 000	R50 000	R20 000	R50 000

*Apportioned according to the period that the learner is a party to the agreement.

**The completion allowance is a once-off allowance available to an employer on successful completion of the learnership agreement and is in addition to the annual allowance:

- For learnership agreements with a duration of less than 24 months, the applicable completion allowance is claimed in the year of completion.
- For learnership agreements with a duration of more than 24 months, the completion allowance is calculated as applicable allowance multiplied by the number of 12-month periods during which the learnership agreement was in place.

- All learnership agreements entered into before 1 October 2016 are subject to the previous legislation, even if the learnership agreement continues beyond 1 October 2016. As a result, the value of the additional deduction depends on whether the learnership agreement(s) were entered into before or after 1 October 2016, and the NQF level of the learner applicable to learnership agreements entered into after 1 October 2016. It is important to note that it is the pre-existing qualifications of the learner entering the learnership agreement that will determine the value of the claim under the amended legislation.

The tables above summarise the section 12H Learnership Agreement tax allowances available to qualifying employers, both before and after 1 October 2016. To determine the net cash benefit to employers, the applicable allowances should be multiplied by the relevant tax rate.

Qualifying criteria

Employers will qualify for the annual allowance only if:

- During any year of assessment, the learner is part of a registered learnership agreement with the employer
- The learner holds an NQF-level qualification from 1 to 10 (if the learnership was entered into after 1 October 2016);
- The agreement is entered into pursuant to a trade carried on by that employer
- The employer derives 'income' as defined in section 1(1) of the Income Tax Act from that trade

Employers need to note that a registered learnership agreement means a learnership agreement that is registered in accordance with the Skills Development Act (i.e., registered with a Skills Education Training Authority (SETA) in the prescribed form) and

entered into between a learner and an employer before 1 April 2022.

In the case where more than one employer is a party to a registered learnership agreement, it is only the employer identified in that agreement as the lead employer who may claim the section 12H tax allowance.

Exclusions and limitations for claiming the section 12H tax allowance

The annual allowance only applies to a period during which a learner is a party to a registered learnership agreement with an employer. Therefore, an employer will not qualify for the annual allowance during any period in which a learnership agreement is not registered, or a learner is not in employment.

In addition, an employer may not claim an annual or completion allowance if:

- The learner has previously failed to complete any other registered learnership agreement to which the employer or an associated institution was a party
- The learnership agreement contains the same education and training component as the previous registered learnership

If a registered learnership agreement is terminated (whether by the employee resigning or by the employer terminating the learner's employment), the employer may deduct an amount equal to a pro-rata portion of the annual allowance in that year. Consequently, as the learnership agreement is terminated and the learnership is not completed, the employer is not entitled to deduct any further annual allowances or the completion allowance in respect of that learnership agreement.

Proof of completion

For employers to claim the section 12H completion allowance, SARS requires proof of the successful completion of the relevant learnership agreement. Confirmation from the relevant SETA, in the form of completion certificates, is normally accepted by SARS as sufficient proof of completion. However, many employers have, in the last few years, experienced significant delays and difficulty in obtaining such confirmations from the SETA in the year of assessment during which the learnership was completed.

SARS has communicated that, considering these challenges, they will accept any alternative objective evidence as proof of successful completion.

This includes a statement of results issued by an accredited training provider or an evaluation report by a registered assessor on workplace experience, provided that the employer also provides evidence to SARS that reasonable steps were taken to request confirmation of completion from the SETA.

The success of section 12H

The success of the section 12H tax allowance is not easy to establish, as not all potentially qualifying employers may know about and therefore take advantage of the learnership incentive. The tax expenditure estimate provided in table B.3 to Annexure B of the 2021 Budget Review provides the quantum of the extent to which corporate taxpayers are utilising the incentive. The latest figures released by National Treasury relating to the 2018/19 financial year show that only R442 million was spent on learnership allowances (down from R717 million spent by Government on the learnership allowance for the 2017/18 financial year). This represents only 2% of the total corporate income tax support spend by Government, provided to corporate taxpayers (4.8% for 2017/18).

National Treasury has recently started a process of reviewing the various incentives on offer in South Africa. This is aimed at assessing the effectiveness of these incentives in terms of the objectives and outcomes that these incentives were designed to achieve. We will have more clarity on the true success of the section 12H tax allowance once this review has been completed. This may come in the form of an extension of the current sunset clause of 31 March 2022, or an amendment or complete repeal of the incentive. One can only hope that section 12H will be extended – either in its current form or with new and improved provisions.



"We will have more clarity on the true success of the section 12H tax allowance once this review has been completed."



TERS CONTINUED BUT FOR HOW LONG?

► **FUNGAI BLAKE**, fblake@cova-advisory.co.za

The largest relief mechanism provided by government to maintain the economy through the COVID-19 crisis has been the Temporary Employer/Employee Relief Scheme. As restrictions on economic activities have continued there have been repeated calls for its renewal. Our article asks how viable this is.

The National Institute for Communicable Diseases confirmed South Africa's first case of COVID-19 on 5 March 2020, and as of 1 March 2021 more than 1.5 million South Africans have been infected with the virus. In trying to limit the spread of COVID-19, South African policymakers continue to have the difficult task of balancing the positive health effects of lockdowns against their economic costs.

One of the main negative consequences of the pandemic has been its devastating impact on employment. A Statistics South Africa survey that was conducted between April and May 2020 studied the impact of COVID-19 on employment and income. The survey found that there was a decrease in the proportion of respondents who usually derive their income from salaries and wages and the percentage of respondents who reported no income increased from 5.2% before the lockdown to 15.4% by its sixth week. The survey further indicated that about a quarter of respondents reported that their incomes decreased during the national lockdown, while over half (56.2%) said that their income had stayed the same.

Temporary Employer/Employee Relief Scheme

In response to the impact of the pandemic on employers and their employees, the government introduced the COVID-19 Temporary Employer/Employee Relief Scheme (TERS) on 25 March 2020. The objective of TERS which is administered by the Unemployment Insurance Fund (UIF) is to alleviate the financial impact of the coronavirus on employees who have suffered a loss of income through a reduction in salary and/or having to take paid or unpaid leave.

The relief offered is based on a sliding scale and employees may get a percentage of their salary back from TERS (between 38% and 60%). The monthly salary amount that is used for the calculation is capped at a maximum of R17 712 per month, per employee. For example, if an employee earns R25 000 a month (i.e., more than the maximum threshold amount), the employee will not receive a percentage of their actual salary but rather 38% of the maximum threshold of R17 712 resulting in a COVID TERS benefit amount of R6 730.56 for a month. For employees earning less than the salary threshold the exact percentage of their salary that they would receive will be determined in accordance with the UIF calculator.

"How deep or lasting the economic impact of the pandemic will be depends on how the South African government continues to manage the outbreak and implement measures to reduce the economic effects."

The benefits are also limited by the amount of income lost by an employee. For example, if an employee earns more than the maximum threshold of R17 712 but has only lost income of R4 500 during a claim period, their TERS benefit would be further limited to the income lost.

Challenges

As to be expected, the implementation of the TERS was not without its challenges, although to be fair hindsight is 20/20 and the UIF undertook a mammoth task by implementing a new system and paying out the approximately R60 billion that they have paid out so far. The early days of TERS were characterised by confusion with regard to how to complete the applications, with questions such as what should be included in remuneration and what the lockdown dates should be. The UIF itself also seemed to be confused and significantly overpaid the March/April claims – generally paying for 35 days regardless of actual income lost.

The challenges experienced by applicants (which were generally employers applying on their employees' behalf) included delayed and incorrect payments which strained already fractious employer/employee relationships even further. The calculation of the benefit is also unnecessarily complicated with the sliding scale being based on a rectangular hyperbola which makes it difficult for employees to understand how much they can expect to receive and employers to correctly reconcile payments. In some companies this resulted in employer/union conflict.

The Auditor General audit that was conducted in July/August 2020 revealed some control weaknesses in the TERS system that could expose it to potential fraud and, in fact, fraud did occur. The weaknesses identified included inadequate verification of employer details, a lack of verification of employee salaries submitted during benefit claims and inadequate system functionality for bank confirmation of uploaded documents.

For the employees that benefited from TERS the relief was most welcome. However, the claiming process itself resulted in a lot of additional work for the Human Capital and Payroll personnel involved. As the UIF worked through the Auditor General's findings and recommendations they implemented several changes to their processes that added even more pressure to the system and exhausted the Human Capital and Payroll teams even further.

The UIF has also appointed external auditors who are currently auditing all the claims submitted. This process is creating anxiety within companies due to urgent requests for information by the auditors and the likelihood that mistakes would have been made over the periods. The ultimate question, however, will be: If the UIF and an employer have overpaid an employee, how will the money be recovered? With extreme difficulty, one would expect.

Extension

The first phase of the TERS ended on 15 October 2020. However, President Cyril Ramaphosa announced the extension of the programme to 15 March 2021 during his State of the Nation address. The extension, which went online on 2 March 2021, will be for specific sectors that have continued to be particularly impacted by the regulations that have been implemented due to COVID-19.

It is also for employees over 60 and/or with co-morbidities that cannot be reasonably accommodated, to enable them to work, and employees who have been required to self-isolate/quarantine. The challenge is that retrospective claims will be submitted for a five-month period which will again create more work for already stretched personnel.

The hope is that the second phase of the TERS process will run more smoothly as the UIF has had time to iron out the weaknesses identified in phase one. It must, however, be noted that the second phase has additional complexities with respect to the validating of sectors and vulnerable employees. It will be interesting to see how the UIF deals with these issues to ensure claims are processed accurately and timeously.

If claimants do not qualify for TERS under the legislated sectors or as vulnerable employees, companies will need to assess whether they can apply for the "Reduced Work Time" benefit from the UIF – an added complexity.

In an ideal world, TERS would continue until the end of the State of National Disaster to support employees who are still struggling financially. However, it is unlikely that government will be able to afford further payments. The budget announced by Minister Tito Mboweni has provided for a total of R73.6 billion in TERS payments.

Supporting the economy

With a devastating global pandemic following more than a decade of disappointing economic growth, South Africa needs co-ordinated efforts to manage the pandemic over the next few years. How deep or lasting the economic impact of the pandemic will be is dependent on how the South African government continues to manage the outbreak and implement measures to reduce the economic effects. One thing that is certain is that the cost of doing nothing will be bigger than the cost of the support packages that are formulated, and this includes TERS.





THE EMPLOYMENT TAX INCENTIVE and its effect on employment figures

► LOUIS VAN MANEN, lvanmanen@bdo.co.za

The Employment Tax Incentive is meant to provide an incentive for employers to hire entry-level and low-pay employees. Our article covers the basics of the programme and takes a look at perceived risks that are limiting take-up.

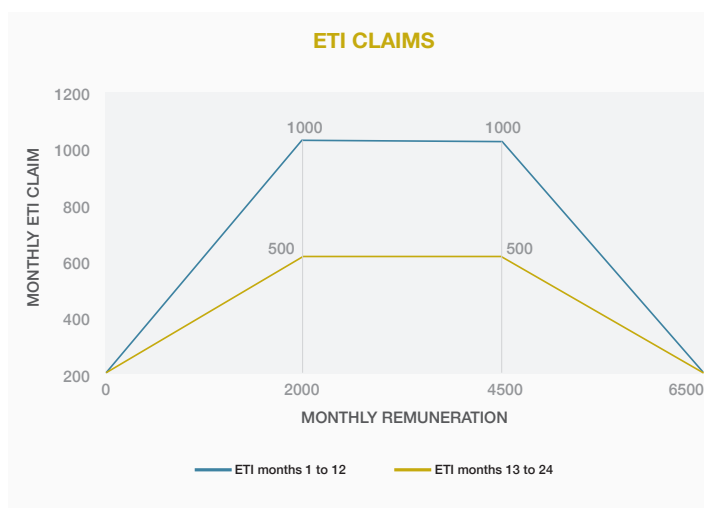
The basics

In 2014 National Treasury introduced a new incentive to encourage the employment of young people through the introduction of the Employment Tax Incentive Act.

The very concerning levels of unemployment are felt most by our youngest bracket of work seekers and this is what the Employment Tax Incentive (ETI) seeks to address. Seven years into the incentive, and with it scheduled to be around until 28 February 2029, it is an opportune time to pause and consider what it has achieved to date and its prospects for the next eight years. Before unpacking this, it is best first to remind our readers of the basic mechanics of the incentive.

What is the benefit?

Perhaps best illustrated on the graph below, the monetary benefit provided for in the Act amounts to up to R1 000 per qualifying employee per month during the first 12 months of employment, decreasing to up to R500 per month for the following 12 months of employment.



Qualifying employees

With certain exceptions, the ETI is available in respect of:

- Employees between the ages of 18 and 29 who were employed on or after 1 October 2013
- Employees receiving remuneration between R2 000 and R6 500 per month, on a normalised 160-hour work month. The R2 000 minimum does not apply where a lower amount is payable by virtue of a 'wage regulating measure', as contemplated in the Act
- Employees in possession of an ID card, asylum seeker permit or refugee status ID document.

Non-qualifying employees include inter alia:

- Domestic workers
- Employees who are connected persons in relation to their employers
- Employees previously employed by the employer or associated person prior to 1 October 2013

Duration of the benefit

While by the end of its planned duration the incentive will have been in place for some 15 years, it is attached to a qualifying employee for a maximum claims period of 24 months. The incentive is clearly intended to promote continuous employment of young employees.

Who receives the benefit?

The incentive is predominantly aimed at private sector employers, which must be registered for employees' tax with SARS.

Employers must be tax compliant with SARS in respect of all taxes administered by SARS to be eligible to receive the incentive.

Section 10(1)(s) of the Income Tax Act exempts from income tax any reduction in an employer's pay-as-you-earn (PAYE) liability as a result of the incentive.

Mechanism for receiving the benefit

The monthly monetary benefit of up to R1 000 per qualifying employee is received by the employer in the form of a reduction against the employer's monthly PAYE liability.

Any incentive amount exceeding the employer's PAYE liability for a particular month is to be regarded as forming part of the following month's incentive. Any such excesses rolled forward up to the end of the EMP501 reporting periods become nil, but must be refunded by SARS.

COVID-19 enhanced benefit

The Employment Tax Incentive Act was amended to introduce an expanded incentive during the period hardest hit by the COVID-19 related lockdown. This expanded incentive was introduced with effect from 1 April 2020 and expired on 31 July 2020.

ETI uptake

COVID-19 relief uptake

It was indicated in the National Budget delivered on 24 February 2021 that the expanded ETI incentive mentioned earlier saw a relatively meagre R1.4 billion uptake, during a time of financial crisis for most.

This statistic alone tells us that the ETI is not achieving what it sought to do, or is it?

Large business and labour brokers

Although precise, detailed and up-to-date data on the uptake and effectiveness of the incentive is scant, it is widely acknowledged that the incentive is for the most part utilised by large companies with large employee complements.

Within this category, labour brokers are arguably the largest single group benefiting. It is no secret that labour brokers are not everyone's cup of tea in South Africa. In the past decade they had to endure calls for their total ban and continued efforts are made for equal employment rights for those employed by them. It has not gone unnoticed either that labour brokers have benefited significantly from the incentive without, arguably, having actively sought to employ more young people.

- ▶ There is no denying, however, that labour brokers play an important part in the South African employment landscape and that they provide employment opportunities to many who would otherwise be unemployed or be employed outside of the formal sector. Many temporary employees placed by labour brokers also find permanent employment in the process.

Perhaps it is arguable whether a taxpayer should benefit from a new tax incentive, without necessarily having to alter its behaviour or business model, as many labour brokers conceivably have since the introduction of the incentive. However, one could argue that if the incentive succeeded in sustaining a labour broker, legitimately claiming the incentive, through this period and thereby vitally kept its employees employed, the incentive has served its purpose.

Schemes

As is unfortunately the case with many tax incentives – and this is not unique to South Africa – it has come to light that there are various schemes made available to employers utilising the incentive. Such schemes generally purport to comply with the requirements of the Act, while however not having regard to whether in substance they satisfy the incentive's objectives. The South African Institute of Tax Professionals and the South African Institute of Chartered Accountants in August 2020 jointly expressed their grave concern with these schemes in a press release. Of concern is the legality of the schemes, aimed at signing up students as employees on behalf of employers, relying on the contractual meaning of employment without resulting in establishing a true, mutually beneficial, employment relationship. In many instances the employers claiming the incentives reportedly have never met nor seen their qualifying 'employees' despite having 'employed' them contractually.

It was no surprise then that it was announced in Budget 2021 that the definition of an 'employee' will be changed in the Employment Incentive Act to specify that work must be performed in terms of an employment contract that adheres to record-keeping provisions in accordance with the Basic Conditions of Employment Act.

The reach of these schemes and their impact on the data is yet unknown but what is known is that their architects generally targeted larger companies for their uptake as this would yield worthwhile returns.

Challenges faced by small employers

Small and medium enterprises (SMEs) are widely regarded as the lifeblood of the South African economy and therefore crucial to the fight against unemployment. Treasury no doubt hoped that it would be the SMEs demonstrating the highest uptake of the incentive. This has not been the case, however, and some of the reasons for that are explored.

Skewed data

If the impact of the said schemes were disregarded from the incentive uptake data, one would have a clearer understanding of the true SME uptake compared to the total uptake. It is virtually impossible to know what this ratio would look like currently and it is hoped that the schemes will be investigated and suitably addressed in the near future.

"It is the responsibility of the private sector, for the most part, not to entertain the use of tax schemes and to ensure tax incentives are used in the spirit for which they were designed."

Legislative and implementation challenges

Although not the most lengthy piece of legislation, the Act is packed with requirements, provisos, exclusions and links to other sets of legislation. Large-scale implementation inevitably requires specialist skills, which many SMEs may not be able to afford, especially if the specific SME potentially only employs a handful of qualifying employees.

Many SMEs, already having to endure continuous SARS audits on the likes of monthly or bi-monthly VAT submissions, probably do not have the appetite to be audited by SARS for a potential PAYE reduction of a few thousand rand per month. SARS is too often seen to be too eager to threaten taxpayers with severe understatement penalties even in the case of innocent mistakes or misinterpretations occurring.

SME employment environment

With technological advances as well as the possibility of retaining employees beyond their initial retirement age, SMEs are perhaps more hesitant than their larger counterparts to employ more people in general. The COVID-19 pandemic has certainly not improved this position.

Conclusion

The ETI retains the potential of achieving its objective but not without further intervention and effort by both SARS and employers. The writer believes that if SARS improved the administration of the incentive, and sought to educate and assist SMEs in claiming it, there would be a bigger uptake by SMEs. It is the responsibility of the private sector, for the most part, not to entertain the use of tax schemes and to ensure tax incentives are used in the spirit for which they were designed.

The incentive may not be perfect but if it has succeeded since 2014 in employing a few previously unemployed, kept many in employ and remains as a tool in Treasury's arsenal in its fight to employ the unemployed, the incentive deserves to become permanently employed.



YOUTH EMPLOYMENT PROGRAMMES

GROWING SA'S TAXPAYER BASE

Our article provides a glimpse into the world of YES – the Youth Employment Service that offers young people, even those without matric, the chance of a first job.

► **TASHMIA ISMAIL-SAVILLE**, tash@yes4youth.co.za & **SIMONA MAZZA**, simona@yes4youth.co.za



Each year South Africa faces an ever-diminishing taxpayer base and deepening inequalities, moving us further from a sustainable future. With fewer payers and lower contributions, more people are dependent on the fiscus for survival.

South Africa must get young people working. Reducing unemployment holds massive benefits for business. More people employed increases GDP and consumer spend, creates prosperous markets for business growth and reduces inequality and the burden placed on the small base of taxpayers. Creating that first job for youth places them on an economic ladder that grows them into contributors and is the surest way to reverse our unsustainable trajectory.

It all starts with a first opportunity. Youth voices are heard echoing the refrain: "I can't get a job without experience and I can't get experience without a job". Research by the Youth Employment Service (YES) shows that "employers place the highest value on relevant work experience, a tertiary qualification and a good interview". Currently, education status is one of the strongest determinants of employment in South Africa.

Young people are therefore caught in structural traps – over 50% of youth have dropped out of an education system that ill prepared them for the working world. Skills mismatches between what youth have and what the economy needs keep youth locked out. South Africa's youth unemployment rate, which was the worst in the world before lockdown, is now over 70% for those without matric. Over 9 million young people are not in education, training or employment.

In a recent YES survey of over 430 hiring managers, managers indicated that they would be least comfortable hiring candidates who are unemployed and are less comfortable hiring youth in general. This is a stand-off within which South Africa's future is trapped.

“The YES programme is a win-win-win for country, company and youth.”

YES is a business-led NPO and collaboration between business, government and labour that seeks out ground-breaking ways, through innovation and technological best practice, to reignite the economy and give youth a dignified first chance in the workplace. In return, businesses gain up to two levels on their B-BBEE scorecard. With no state funding, YES has already created over 50 000 work opportunities for South Africa’s youth in just over 112 weeks of operation, which translates into R2.8 billion injected into the economy through youth wallets, and the number keeps growing. For information on YES go to <https://yes4youth.co.za/4-business/>

► Innovation in employment with the Youth Employment Service

To break the stand-off, we need to find alternatives to get youth into work quickly, drive learning-by-doing, and skill youth through short course accreditation and company training programmes.

YES offers an incentive for business, in the form of one or two B-BBEE levels to companies, if they simply offer a one-year workplace experience to black youth.

Over 1 378 businesses have registered with YES and together have broken the cycle of unemployment for over 50 000 youth in just 112 weeks of operation. Hundreds of companies have gained B-BBEE levels through the programme.

YES has seen R2.8 billion in youth salaries committed by the private sector, money which goes straight into youth wallets. This creates a cascade of effects which fights disillusionment and despair, offering households dignity and hope. Clients who benefited from YES and joined the fight against lifetime unemployment include VW, Nedbank, Investec, Shoprite, ABSA, Ford, Toyota, Telesure Investment Holdings and many more.

Multiple years of related work experience is the most desirable trait in lieu of a degree, according to YES’s research (refer to the figure on the next page).

A quarter of all managers indicated that two or more years of related work experience would “entirely” compensate for having only a matric certificate.

The YES year thus starts to compensate for the lack of a degree. These findings highlight the value placed by hiring managers on “learning-by-doing” methods.

The CV and reference letter gained after the YES year form a powerful credibility builder. Research shows experience on a CV triples the likelihood of a call-back within three months of job searching. A reference letter doubles the chances of employment for women.

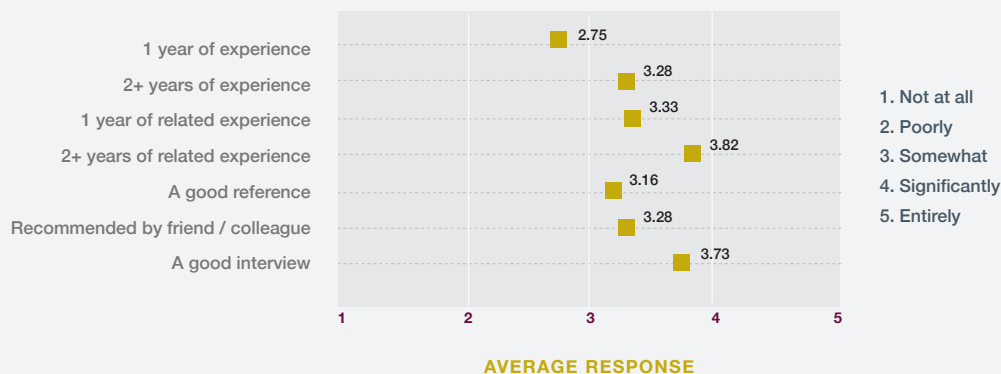
In addition, YES Youth receive a smartphone loaded with apps which deliver digital work-readiness modules, zero-rated by Vodacom.

Youth are learning soft skills through the modules and applying these in the workplace. YES has surpassed 7.3 million learning minutes on the apps, making this one of the most successful digital-learning programmes in the country.

A de-risked recruitment funnel

The YES programme further offers labour flexibility to hiring managers.

HOW WELL DO THE FOLLOWING COMPENSATE FOR THE LACK OF A UNIVERSITY DEGREE? (N = 381)



Source: YES & J-Pal. (2021). Covid-19 employment survey.

Large cohorts can be recruited, and the YES year used as a filter to select the best fit candidates or the 'gems' as former VW country manager Thomas Schaeffer put it.

Managers in our research indicated that the flexibility of the YES year mitigated their requirement for experience by allowing more room for recruitment mistakes, thus increasing their willingness to take on more youth to build a wider recruitment pipeline and increase the benefits of skills transfer and fresh thinking.

All that glitters is gold

The YES programme is a win-win-win for country, company and youth.

Not only do YES's efforts mean more taxpaying citizens and thriving businesses, but YES offers companies the benefit of moving one, or two, B-BBEE levels up.

All you have to do is create the target number of work experiences and benefit with a B-BBEE rating increase of one full level. You can gain two levels if you double your target. This is a unique YES benefit over and above the standard B-BBEE scorecard elements.

YES benefits and processes have been gazetted into legislation. Businesses can only receive level ups working through YES. Targets are calculated in one of two ways, with the highest becoming your target (refer to YES' web-based target calculator here).

How to calculate your target:

- NPAT: Average NPAT over 3 years x 1.5% divided by R55 000
- Headcount: Headcount x 1.5%

Can't host youth yourself?

A company can sponsor youth to work in one of YES's 28 vetted implementation partners, situated all over the country and in a range of sectors from education and conservation to healthcare and digital. A company can have social and environmental impact through youth placements across sectors.

This is a no-admin package; the implementation partners handle everything from recruitment to payroll, and even aid in absorption at the end of the year.

What are the costs?

Fee packages are based on the net profit after tax (NPAT)/revenue of your business. The fees pay for the B-BBEE level process, phones, zero-rated modules, and monitoring and evaluation of youth and work experiences through the apps.

Immediate and long-term impacts of YES

One in three YES Youth are currently absorbed. Businesses are in awe of the raw talent they have been able to harness. Adam Craker, CEO of IQ Business, was extremely impressed with the YES Youth cohort. "In these times of adversity, we require a young and capable team to maintain momentum. [Of the YES Youth we took on last year], 94% of them have been offered full-time employment."

85% of YES Youth come from grant-recipient households. Can you imagine the vast ripple effects your company can create in communities, just through building one income in a family?





THE TAX

STUDENT'S

GUIDE TO GETTING HIRED

A compilation of hiring process information from accounting firms, Government departments and law firms to assist tax graduates on their journey to becoming tax professionals.



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BOWMANS

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CLIFFE DEKKER HOFMEYR

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apply4lawJHB@cdhlegal.com



ENSAFRICA

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EVERSHEDS SUTHERLAND

EVERSHEDS SUTHERLAND

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FASKEN

FASKEN

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cbrady@fasken.com



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fmavangwa@macrobert.co.za



MAITLAND

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lynn.alkana@maitlandgroup.co.za

NORTON ROSE FULBRIGHT

NORTON ROSE FULBRIGHT

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WEBBER WENTZEL

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WERKSMANS

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THE ACCOUNTING AND GOVERNMENT ROUTE INTO TAX

RANKINGS IN TERMS OF QUALIFICATION PREFERENCES (1 = HIGH, 5 = LOW)

	UNIVERSITY HONOURS TAXATION / ADVANCED DIPLOMA 4 TH YEAR	UNIVERSITY HONOURS ACCOUNTING / ADVANCED DIPLOMA 4 TH YEAR	LLB (BACHELOR OF LAWS)	BCOM (BACHELOR OF COMMERCE) / THIRD YEAR
DELOITTE	1	-	-	-
EY	1	1	4	5
KPMG	1	1	3	4
PWC	1	5	1	-
BDO	1	1	2	-
CROWE	-	1	-	3
KRESTON	1	1	5	4
MAZARS	1	2	2	4
MOORE	1	2	3	4
NOLANDS	1	3	2	4
PKF	1	2	4	3
SNG-GT	1	1	4	4
TAX CONSULTING SA	1	2	3	2
THE TAX HOUSE	1	1	5	2
SARS	3	2	4	1
OTO	1	2	4	5

TOP 10% OF GRADUATING CLASS

SARS

TOP 25% OF GRADUATING CLASS

DELOITTE
EY
KPMG
PWC
MOORE
NOLANDS

NO MINIMUM GRADE REQUIREMENT

BDO
CROWE
KRESTON
MAZARS
PKF
TAX CONSULTING SA
THE TAX HOUSE
OTO

TOP 60% OF GRADUATING CLASS

EY
SNG-GT



MINIMUM GRADE REQUIREMENTS FOR ADMISSION

PERSONAL QUALITIES PREFERRED IN AN APPLICANT

	PREFERRED QUALITY 1	PREFERRED QUALITY 2	PREFERRED QUALITY 3
DELOITTE	Self-motivated candidates who display the ability to think analytically and critically. Solution driven individuals who are adaptable and are self-starters. Should have the potential for digital acumen.	Strong leadership and organisational skills. Ability to work independently as well as within a team. Having a collaborative mindset.	Strong verbal and written communication skills. High levels of resilience with a passion for learning.
EY	We are not only looking for high academic achievers, we also want you to demonstrate leadership through your involvement in extra-curricular activities and in the community around you.	We want you to have a clear sense of personal and professional accountability and to show that you are committed to doing the right thing.	We look for people who recognise the value of different backgrounds and points of view. By respecting these differences, we enrich our perspectives, which in turn help us to build strong relationships and enhance the services we provide to our clients.
KPMG	Attention to detail.	Priority to deadlines.	Resilience.
PWC	Critical, analytical and solution-orientated mindset and at all times acting with integrity.	Ability to communicate and work together with a wide range of people.	Strong linguistic skills, loves reading and curious about new ways of doing things.
BDO	Drive, ambition and hard work.	Passion for tax.	High cognitive functioning.
CROWE	Interpersonal skills.	Target driven.	Sociable.
KRESTON	Professional/Presentable.	Motivated.	Leadership / team player.
MAZARS	Culture and values aligned with Mazars culture and values.	Analytical, solution orientated and good communication skills.	Excellent planning and organisational skills.
MOORE	Great interpersonal skills, well-mannered and respectful.	High levels of integrity and commitment.	Passion for learning.
NOLANDS	Desire to learn.	Positive attitude towards life and work.	Reliable and good communication skills.
PKF	Ability to apply knowledge to work scenarios.	Good attitude, communication skills and manners.	Hard working.
SNG-GT	Self-motivated, hardworking, and eager to learn. Pay attention to detail.	Dedicated, a team player and passionate about tax.	Efficient and respectful.
TAX CONSULTING SA	Self-motivated, hardworking and deadline driven. Sound aspirations to master their field. Exceptional work ethic and a can-do attitude.	Detail orientated, accuracy in delivering with speed.	Exceptional communication skills, verbal and written.
THE TAX HOUSE	High levels of integrity and a self-starter with a proven ability to work independently. The ability to work under pressure in a deadline driven environment and manage stress effectively.	Great interpersonal and communication skills and a good team player. Someone who embraces innovation and technology.	High attention to detail while having the ability to work with speed and effective time-management skills with the ability to prioritise tasks.
SARS	Integrity: high values / high moral compass / honesty / alignment to SARS values.	Self-directed / self-disciplined / ability to work well in a team.	Open-minded / innovative thinking / agile to change.
OTO	Adhering to principles and values.	Planning and organising / analysing.	Following instructions and procedures.

MOST COMMON MISTAKES LEADING TO A FAILED CONTRACT RENEWAL

	MISTAKE 1	MISTAKE 2	MISTAKE 3
DELOITTE	Not seizing the opportunity afforded to you to the best of your abilities. Lack of initiative to gain the necessary technical skills resulting in the individual not rendering services at the required standard.	It's important for graduates to take responsibility for their own professional, practical and technical development by utilising the available resources and networks. Should this not happen it could result in the person not rendering services at the required standard.	Not having a positive attitude, contributing to poor work ethic and poor performance.
EY	Inability to accept feedback.	Inability to manage emotions on the job.	Inability to work effectively with others (teaming).
KPMG	Assuming that now that they are employed, they can sit back and relax.	That doing the minimum amount of work will result in maximum benefits.	Not addressing issues as they happen and allowing things to snowball.
PWC	Poor performance.	Not having a 'can do' attitude.	Lack of enthusiasm.
BDO	Believing that your career is someone else's responsibility.	Treating the opportunity as a "job" and not as a career.	Not taking ownership and therefore not going above and beyond.
CROWE	Relocations who struggle to adapt.	Inability to handle high stress levels.	Lack of time management skills.
KRESTON	Minimum requirements.	Inability to work under pressure.	Not willing to learn.
MAZARS	Candidate oversells capabilities or knowledge.	Does not take ownership of assignments.	Emotional immaturity.
MOORE	Poor attitude.	Poor work performance.	Lack of interest by the trainee.
NOLANDS	Being untrue to your personality.	Overestimating your capabilities, i.e. being dishonest.	Not having a clear vision for your future and the firm's.
PKF	Poor attitude and interpersonal skills.	Sense of entitlement.	Lack of professionalism.
SNG-GT	Poor performance and negative attitude towards learning.	Not taking ownership of their own development.	-
TAX CONSULTING SA	Poor work performance quality, just meeting the standard and not outperforming.	Unable to work in a high-pressured environment.	Inability to multi-task and do not show the ability for growth.
THE TAX HOUSE	Negative feedback from applicant's references.	Gap between skills and experience listed on CV and actual skills and experience of applicant.	Discrepancy between remuneration offered and unrealistic remuneration expectations of applicant.
SARS	ER issues – inappropriate behaviour transgressing SARS policies, procedures and/ or the law.	Not completing the Learner Activity Manual deliverables – due to under-performance.	Poor attitude and friction with team members.
OTO	Lack of understanding of the mandate of the Office of the Tax Ombud.	We are a small organisation – graduates want large organisations with more growth opportunities within a short period of time.	-



GRADUATE/LEARNERSHIP PROGRAMMES AVAILABLE TO UNIVERSITY STUDENTS INTERESTED IN TAX

SAIT TAX PROFESSIONAL PROGRAMME

EY	NOLANDS
KPMG	PKF
PWC	SNG-GT
BDO	THE TAX HOUSE
KRESTON	OTO

SAICA CA PROGRAMME

DELOITTE	MAZARS
EY	PKF
KPMG	SNG-GT
CROWE	SARS
KRESTON	

SAIPA PROGRAMME

KRESTON
MOORE
PKF

INTERNAL PROGRAMME

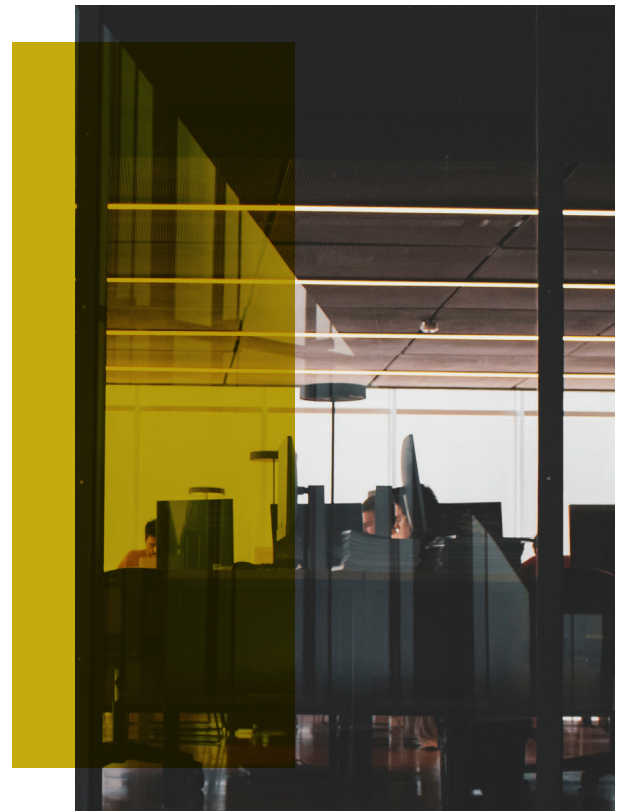
DELOITTE
TrAX two-year tax graduate programme

RECRUITMENT PERIOD FOR ENTRY-LEVEL TAX HIRES

	ANNUALLY	WHEN NEEDED
DELOITTE	x	
EY	x	
KPMG	x	
PWC	x	
BDO	x	
CROWE	x	
KRESTON		x
MAZARS		x
MOORE	x	
NOLANDS	x	
PKF		x
SNG-GT	x	
TAX CONSULTING SA		x
THE TAX HOUSE		x
SARS	x	
OTO		x

FORMAL HIRING PERIOD FOR ENTRY-LEVEL TAX CANDIDATES

DELOITTE	January – May
EY	Every 3 years
KPMG	January – October
PWC	March – August
BDO	June – December
CROWE	July – December
KRESTON	August – November
MAZARS	Continuous period – based on business needs
MOORE	May – September
NOLANDS	August – November
PKF	Based on business needs
SNG-GT	May – October
TAX CONSULTING SA	12 months
THE TAX HOUSE	When required
SARS	March – April
OTO	April – May



FIRMS THAT HIRE AFTER THE FORMAL HIRING PERIOD HAS CLOSED

DELOITTE	If there is a business need for additional resources	MOORE	If a strong applicant applies, we would consider their application
KPMG	If we come across an exceptional candidate	PKF	Where the need for personnel arises
BDO	This would apply if we have not recruited all the candidates we require, if someone has withdrawn or we discover someone with strong potential	TAX CONSULTING SA	Ongoing – company continuously expanding
CROWE	If there is a specific resource requirement or we come across an exceptional candidate	THE TAX HOUSE	When we are approached by or receive the credentials of a great candidate
KRESTON	If we need staff	SARS	When there is an urgent business need

HOW CAN UNIVERSITY STUDENTS FORMALLY APPLY?

	HR DEPARTMENT	WEBSITE	OTHER
DELOITTE	–	www.deloitte.com/za/en/careers/students	<ul style="list-style-type: none"> • Facebook: www.facebook.com/DeloitteSA • Twitter: @DeloitteLifeSA • Instagram: @LifeAtDeloitteAfrica • LinkedIn: Deloitte South Africa • University portals
EY	Send academics and CV to taxgrad@za.ey.com	www.ey.com/za/en/careers/students	Job boards such as Career Junction
KPMG	–	www.joinkpmg.co.za	–
PWC	–	www.pwc.co.za/en/careers.html	–
BDO	taxacademy@bdo.co.za or contact Lindy Steyn (Training Officer) lsteyn@bdo.co.za / Belinda Erasmus berasmus@bdo.co.za	www.bdo.co.za/en-za/careers	–
CROWE	recruitment.ct@crowehorwath.co.za	www.crowe.za.com	–
KRESTON	recruitment@krestonsa.com	www.krestonsa.com	–
MAZARS	–	mazars.erecruit.co/candidateapp/Jobs/Browse	Mazars LinkedIn page
MOORE	Email us at: careers@moorect.co.za	www.moore-southafrica.com/	LinkedIn: www.linkedin.com/company/mooresouthafrica/
NOLANDS	Tabassumb@nolandscpt.co.za	www.nolands.co.za	LinkedIn Facebook Instagram
PKF	Rene Clifford – HR Manager rene.clifford@pkf.co.za 031 573 5000	www.pkfexperience.co.za	Facebook: www.facebook.com/pkf.durban/ Instagram: www.instagram.com/pkfdurban/ LinkedIn: www.linkedin.com/company/pkf-umhlanga/
SNG-GT	Sinethemba Hlongwa Sinethemba.Hlongwa@sng.gt.com	www.grantthornton.co.za/Careers/	–
TAX CONSULTING SA	Directly to the recruitment department: recruitment@africorpsolutions.co.za	www.africorpsolutions.co.za www.taxconsulting.co.za/	–
THE TAX HOUSE	admin@thetaxhouse.co.za	www.thetaxhouse.co.za/careers-with-us/	Facebook: www.facebook.com/thetaxhouse/ Instagram: www.instagram.com/the.tax.house/ LinkedIn: www.linkedin.com/company/the-tax-house?trk=top_nav_home
SARS	–	SARS Traineeship applications can be done online in response to an advert posted on the SARS website.	We often post a teaser on Career Junction and the SARS Facebook and Twitter pages to route applicants to the link on the SARS website
OTO	recruitment@taxombud.gov.za	Office of the Tax Ombud graduate programme can be done on our website www.taxombud.gov.za	We post on OTO social media platforms: Twitter, Facebook and LinkedIn

MINIMUM OVERALL REQUIREMENTS FOR ADMISSION

DELOITTE	Hons Tax
EY	Completed Honours degree in Tax or Accounting with an academic weighted average of at least 65%
KPMG	Hons Tax
PWC	Hons Tax, LLB
BDO	Hons Tax, B degree + HDip Tax, Hons CA, Hons Economics, LLB
CROWE	Hons CA
KRESTON	BCom Hons Degree specialising in tax (completed)
MAZARS	Undergraduate degree
MOORE	Hons Tax
NOLANDS	Hons Tax
PKF	Hons Tax
SNG-GT	Hons Tax or Postgraduate Diploma in Tax; Hons CA
TAX CONSULTING SA	BCom Honours Tax degree
THE TAX HOUSE	Honours in Tax, Postgraduate Diploma in Tax
SARS	Varies for the different programmes
OTO	University Honours Accounting / Advanced Diploma



FIRMS THAT SEND RECRUITERS TO UNIVERSITIES (CAREER DAYS)

DELOITTE	Deloitte sends recruiters to university career fairs and we participate in other particular projects we are invited to.
EY	We announce all our campus events on our social media pages. Please follows us on: Facebook: EY Careers Instagram: eyafrica_ Twitter: @EY_Africa
KPMG	We attend student fairs.
PWC	NWU (Potch and Vaal), UP, UJ, WITS, UCT, Stellenbosch, and Rhodes.
BDO	We attend various university career fairs throughout the year.
CROWE	We go to career fair days at UCT, University Stellenbosch, and UWC.
KRESTON	Kreston attends various Career Days throughout the year.
MAZARS	We attend career fairs at most universities. These happen throughout the year.
MOORE	We attend career days at all major universities as well as the SAIT student conference in Cape Town.
NOLANDS	We have recruiters present at university career days and at the SAIT Student Conference.
PKF	Throughout the year and on special career days held by the universities.
SNG-GT	We send them during the recruitment weeks published by universities.
SARS	SARS participates in university career fairs to attract students to our programme and only recruits from formally-received online applications.

KPMG

Two-year graduate learnership with SAIT exams; no rotation of business units

MOORE

Moore Cape Town offers a one-week vacation work programme during the June / July holidays

NOLANDS

Two-year graduate learnership with SAIT exams; no rotation of business units

SARS

SARS has an internship programme for matriculants with a Higher Diploma in Financial Management (or similar)





FIRMS THAT OFFER WINTER PROGRAMMES TO STUDENTS BEFORE THEY GRADUATE

DELOITTE

We offer 1 Deloitte Vac School in July

MAZARS

We offer an annual vacation programme in July

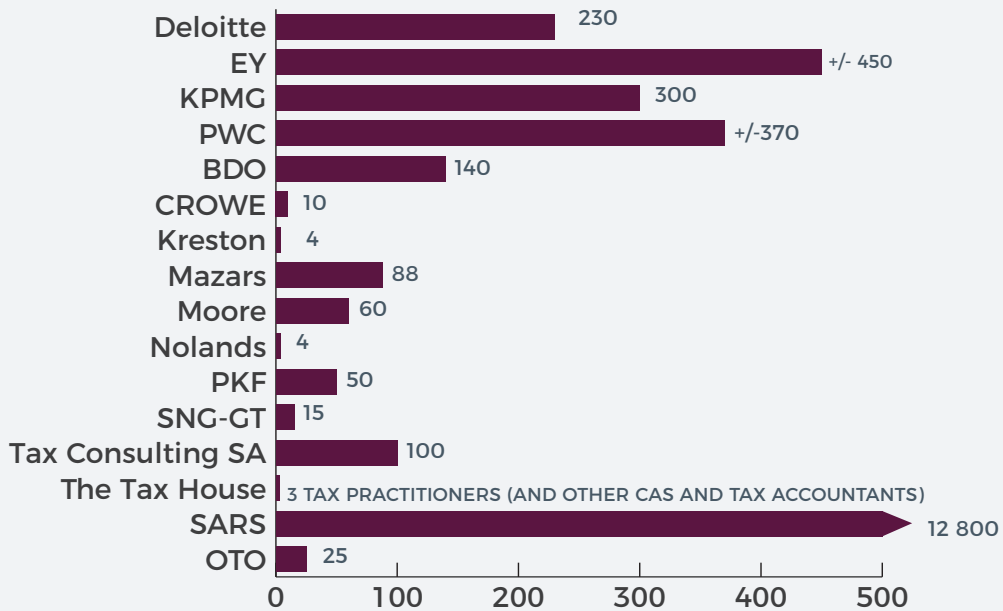
MOORE

Moore Cape Town offers a one-week vacation work programme during the June / July holidays

PKF

Vac work in July and December during school holidays

NUMBER OF PROFESSIONALS IN THE FIRM'S SOUTH AFRICAN TAX DEPARTMENT



WHY SHOULD A GRADUATE CHOOSE YOUR FIRM AS OPPOSED TO A COMPETITOR'S?

DELOITTE	<p>As a Deloitte Tax & Legal professional, you will work with colleagues across Africa as well as across the globe to address the complex, ever-changing challenges of our clients.</p> <p>This practical approach broadens your tax and legal knowledge, instils and builds confidence to take on new challenges, and allows you to expand your career opportunities. Your experience is enhanced by working on thought-provoking projects both for clients and the broader community alongside bright and motivated colleagues from all over the world. As a recent Tax graduate the overall aim is to ensure that you benefit from a seamless integration into the professional role as a Tax Practitioner at Deloitte. Digital fluency and the new ways of working are becoming increasingly important under the circumstances.</p>
EY	EY is a global leader in assurance, tax transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all our stakeholders. In so doing, we play a critical role in building a better working world for our people, our clients and our communities.
KPMG	Quality of the training and exposure to quality client work.
PWC	As a leading firm that provides professional services across the world, we offer you endless professional opportunities. Careers are built in a team-orientated, open, trusting and inclusive environment. Team leaders and coaches act as mentors, helping you make the most of your experiences so that you can grow, explore new opportunities and achieve your potential. You will work across many areas of tax to help you develop a broad base of compliance and consulting skills. If you remain with PwC once you qualify, you can deepen your specialised skills in one of our highly specialised practice areas.
BDO	BDO Tax is not too big and not too small – BDO Tax is just right. We value people and strive for excellence in tax. We recruit, retain and develop top class tax professionals to their abilities, within the requisite transformation framework, and focus on BDO's values by exceeding expectations whilst having fun through inspired thinking and living principle-centred lives.
CROWE	Graduates choose our firm because of the nature of the relationships we form with our clients. Our smaller firm size also means that graduates get personal attention from partners not found at bigger firms.
KRESTON	Knowing you (our staff and clients) and 20 years in business.
MAZARS	You will never feel that you are just a number; you are truly an individual and your input will be valued. You will be able to express yourself and your goals. There are so many opportunities for growth. You will be exposed to a broad range of clients, from JSE listed to owner managed businesses. No day in your life will ever be the same and each day will bring new challenges. We aim to develop our professionals into the future leaders of the business and offer leadership development programmes to assist them in achieving their career aspirations. At Mazars, it's never just about the work.
MOORE	Our firm has a unique culture that promotes collaboration, teamwork, fun and technical competence. We have an ever-growing tax client base which is a testament to the level of service we provide to our clients. Our broad range of clients and the expertise of our partners and managers ensure that our trainees have a depth and breadth of exposure that is hard to match anywhere else.
NOLANDS	The exposure to tax issues relating to different industries and gaining a vast amount of experience. The tax offering at Nolands is structured to instil a sense of confidence in trainees. Nolands exposes trainees to a broad range of taxes in a small team that promotes empowerment and independent thought.
PKF	We have a wide range of clients from sole proprietors to large corporates over various industries which provide exposure to various tax issues, and allow a person to develop their tax skills from completing a tax computation for a high net worth individual to that of a large corporate. It also allows for the development of tax knowledge in various areas, ranging from the taxation of lump sums to the applications of different types of capital allowances. We also have extensive knowledge and deal with a lot of dispute resolution matters with SARS which is quite a valuable experience that one could use and develop for future use.
SNG-GT	We are a small team, and everyone gets given special attention; we are truly like a small family. By the end of 2 or 3 years, the graduates would have acquired extensive knowledge in direct tax, indirect taxes and in all industries SNG Grant Thornton operates in. The graduates will not be able to get this exposure as young graduates in larger firms.
TAX CONSULTING SA	Quality of the training and exposure to quality client work. We are a fast-growing tax practice, which is attributable to our highly technical yet very client orientated nature. The structure is flat and we are not bound by the rigid titles, level and reporting lines of larger firms. This simply means that if you are the real deal, you will get excellent exposure far quicker in your career; but in turn we are much less forgiving where you are not committed and subscribe to our values of honesty, hard work, stewardship and being committed to a career in tax.
THE TAX HOUSE	We are a highly professional, experienced, skilled and dynamic team of experts. Although our firm has grown substantially over the past few years, The Tax House is still relatively small in size compared to the bigger firms. Graduates therefore get exposed to all areas of tax and to the business as a whole, which they may not get at the bigger firms. Our firm is growing into other centres around the country, which in the short to medium term will create career opportunities for graduates.
SARS	SARS' value proposition is highly competitive: for example, trainees will receive an above-market related stipend, paid maternity benefits, group life benefits, study leave, etc. SARS is ranked 7 as ideal employer in SA, according to Universum. Trainees receive enabled technical exposure for job-directed learning.
OTO	Unique, customised and focused training.

THE LAW ROUTE

INTO TAX

QUALIFICATION REQUIREMENTS AND PREFERRED ACADEMIC BACKGROUNDS

BAKER MCKENZIE	LLB, BCom Law, BA Law. It is advantageous if the candidate has additional tax qualifications or experience.
BOWMANS	Students completing a law degree from a South African university are welcome to apply to us via the Graduate Recruitment portal found on our website. We also welcome applications from students pursuing a legal career by completing a postgraduate degree in law.
CLIFFE DEKKER HOFMEYR	LLB, BCom Law, BAcc Law, BA Law, BSocSci Law, BSc Law.
ENSAFRICA	An LLB is the minimum qualification required. An additional background in tax, or having completed a BCom Law / BAccLLB / BBusSci / HDip in Tax / LLM Tax would be advantageous.
EVERSHEDS SUTHERLAND	Our candidates must have completed a BCom LLB or LLB degree to apply for articles of clerkship at Eversheds Sutherland. It is advantageous if the candidate has additional tax qualifications or experience.
FASKEN	BCom Law, BA Law, LLB.
MACROBERT ATTORNEYS	BCom Law, BA Law, LLB. Students completing a law degree are invited to apply at MacRobert via the Candidate Attorney Recruitment portal found on our website.
MAITLAND	BCom Accounting, BCom , LLB, BCom Law, B-Tech Accounting, BCom Finance, BA Law.
NORTON ROSE FULBRIGHT	LLB, BA Law and BCom Law (Students with undergraduate qualifications in Economics welcome).
WEBBER WENTZEL	LLB. An additional qualification in commerce or a similar programme is advantageous.
WERKSMANS	LLB, BA Law and BCom Law, BSocSci Law, BAcc Law.

TOP 25% OF GRADUATING CLASS

BAKER MCKENZIE
 CLIFFE DEKKER HOFMEYR
 EVERSHEDS SUTHERLAND
 WEBBER WENTZEL

NO MINIMUM GRADE REQUIREMENT

ENSAFRICA
 MAITLAND

OTHER

BOWMANS:
 ACADEMIC AVERAGE: 65% AND ABOVE

CLIFFE DEKKER HOFMEYR:
 MINIMUM 65% OVERALL AVERAGE

FASKEN:
 AVERAGE ABOVE 68%

MACROBERT ATTORNEYS:
 WELL-ROUNDED INDIVIDUALS WITH GOOD ACADEMIC RESULTS



MINIMUM GRADE REQUIREMENTS FOR ADMISSION

PERSONAL QUALITIES PREFERRED IN AN APPLICANT

	PREFERRED QUALITY 1	PREFERRED QUALITY 2	PREFERRED QUALITY 3
BAKER MCKENZIE	Attitude	Drive for excellence	Innovation
BOWMANS	We are drawn to candidates who are driven to success and have a passion for law. These are critical as they spur commitment and a positive attitude; will contribute to our firm's culture; and lead a budding corporate lawyer on a path to achieving their career goals		
CLIFFE DEKKER HOFMEYR	Resilient	Team player	Eager to learn
ENSAFRICA	Drive, passion and eagerness to learn and develop	Commitment to excellence in their work	Strong analytical and writing skills
EVERSHEDS SUTHERLAND	Innovative mind	Team player	Hard-working
FASKEN	Grit	Analytical	Decision making
MACROBERT ATTORNEYS	EISH Factor (energetic, intelligent and self-motivated individuals who are hardworking)	Ability to work respectfully in a team	Integrity and passion for Law
MAITLAND	Excellent communication skills	Committed	Fast learner
NORTON ROSE FULBRIGHT	Well rounded individual; team player; socially and economically aware; somebody who embodies unity, integrity and quality	Display of leadership qualities	Social consciousness
WEBBER WENTZEL	Commitment to excellence	Intelligent problem solver	Resilient team player
WERKSMANS	Passion for corporate and commercial law and the Werksmans brand	Integrity and agility	Resilience

MOST COMMON MISTAKES LEADING TO A FAILED CONTRACT RENEWAL

	MISTAKE 1	MISTAKE 2	MISTAKE 3
BAKER MCKENZIE	Culture fit	Lack of commitment	Inability to integrate
BOWMANS	A lack of determination and honesty with one's self	Students who are not positive in their capabilities of succeeding and who lose sight of their end goal	-
CLIFFE DEKKER HOFMEYR	Values that are not aligned to the CDH culture and values	Lack of preparation and attention to detail	Limited available positions
ENSAFRICA	Rate of development lagging behind the desired level of output	Low levels of self-awareness	Lack in alignment of values and personal goals and those of a corporate law firm
EVERSHEDS SUTHERLAND	Poor references	Inability to demonstrate applied knowledge	-
FASKEN	Failing board exams	No written communication skills	Not adapting to change
MACROBERT ATTORNEYS	Values that are not aligned to the MacRobert culture and values	Lack initiative and passion	-
MAITLAND	Poor communication skills	Not asking enough questions	Lack of commitment
NORTON ROSE FULBRIGHT	Limited space to accommodate Candidate Attorneys	Poor performance and lack of ambition	Culture fit
WEBBER WENTZEL	Inability to demonstrate applied knowledge	Limited available positions	Not adapting to change
WERKSMANS	Unwillingness to learn and not adding value to the team	Not showing enough passion for the chosen career path	Culture fit

**RECRUITMENT PERIOD
FOR ENTRY-LEVEL
TAX HIRES**

BAKER MCKENZIE	Annually.
BOWMANS	The articles programme for a lawyer is two years long.
CLIFFE DEKKER HOFMEYR	Annually.
ENSAFRICA	Annually.
EVERSHEDS SUTHERLAND	Annually.
FASKEN	January – June (two years before end of degree).
MACROBERT ATTORNEYS	We do not recruit specifically for the tax department. Our candidate attorneys rotate to a different department every six months and will get an opportunity to rotate to our tax department, should they choose to get that exposure.
MAITLAND	All year.
NORTON ROSE FULBRIGHT	We offer contract of articles for LLB graduates to become attorneys. Tax may be a 6-month rotation in the 24-month period of articles.
WEBBER WENTZEL	We do not specifically recruit for tax. We recruit law students, of which some get the opportunity to rotate into tax as one of their three rotations.
WERKSMANS	We do not specifically recruit for tax, we run a Candidate Attorney programme for Law graduates who are interested in becoming Attorneys. We recruit every year for 2-3 years ahead.

**FORMAL HIRING PERIOD
FOR ENTRY-LEVEL TAX
CANDIDATES**

BAKER MCKENZIE	N/A
BOWMANS	N/A
CLIFFE DEKKER HOFMEYR	June – December
ENSAFRICA	February – August
EVERSHEDS SUTHERLAND	August – December
FASKEN	Vacation work in June and offer thereafter
MACROBERT ATTORNEYS	March – September
MAITLAND	All year
NORTON ROSE FULBRIGHT	Based on our business needs
WEBBER WENTZEL	N/A
WERKSMANS	N/A

MINIMUM



REQUIREMENTS FOR APPLICATIONS



MACROBERT ATTORNEYS	Studying towards law qualification (LLB), good and consistent academic results, and involvement in extracurricular activities (advantage)
MAITLAND	BA, BCom
NORTON ROSE FULBRIGHT	LLB with 65% academic average and extracurricular activities
WEBBER WENTZEL	BCom, BA Law or LLB; academic excellence; interests outside of studies
WERKSMANS	LLB with 65% academic average

BAKER MCKENZIE	LLB, BCom Law and BA Law
BOWMANS	Academic average of 65% and above as well as studying towards a legal degree.
CLIFFE DEKKER HOFMEYR	Academic excellence, interests outside of studies, positive attitude and keenness to learn.
ENSAFRICA	<ul style="list-style-type: none"> • Bachelor of Laws (LLB) • Strong and consistent academic performance • Ability to work in a team • Strong communication skills (verbal and written) • Analytical thinker • Flexible and resilient individual • Ethical
EVERSHEDS SUTHERLAND	BCom LLB or LLB degree in order to apply for our two-year articles of clerkship
FASKEN	LLB

HOW CAN UNIVERSITY STUDENTS FORMALLY APPLY?

	HR DEPARTMENT	WEBSITE	OTHER
BAKER MCKENZIE	-	Practical Vocational Training Application 2022 - 2023	-
BOWMANS	-	www.bowmanslaw.com/careers/graduate-opportunities/	-
CLIFFE DEKKER HOFMEYR	-	www.apply4lawafrica.com	We may advertise on LinkedIn and universities' career portals
ENSAFRICA	graduates@ENSAfrica.com	www.ENSAfrica.com	We advertise using the various universities' career portals; print and digital publications
EVERSHEDS SUTHERLAND	careers@eversheds-sutherland.co.za	www.eversheds-sutherland.com/global/en/where/africa/south-africa/overview/careers/index.page	We may advertise on LinkedIn and Facebook from time to time and at university career fairs
FASKEN	-	www.fasken.com/en/careers/	-
MACROBERT ATTORNEYS	-	www.macrobot.co.za/careers/candidate-attorneys	Law Career fairs at the various South African universities' portals and we also use print media through university publications
MAITLAND	-	www.maitlandgroup.com/careers	-
NORTON ROSE FULBRIGHT	-	www.nortonrosefulbright.com/za/careers/	-
WEBBER WENTZEL	articles@webberwentzel.com	www.webberwentzel.com/Careers/Early-Careers	Webber Wentzel Facebook and LinkedIn
WERKSMANS	-	www.werskmans.com/graduates	-

DO YOU EVER HIRE ACCOUNTANTS?



WE HIRE ACCOUNTANTS STRAIGHT OUT OF GRADUATE SCHOOL

CLIFFE DEKKER HOFMEYR
EVERSHEDS SUTHERLAND
MACROBERT ATTORNEYS
MAITLAND



WE HIRE ACCOUNTANTS AS MID-LEVEL ASSOCIATES (WITH SEVERAL YEARS OF EXPERIENCE)

BAKER MCKENZIE
BOWMANS
CLIFFE DEKKER HOFMEYR
ENSAFRICA
EVERSHEDS SUTHERLAND
MAITLAND
NORTON ROSE FULBRIGHT
WEBBER WENTZEL

CANDIDATE ATTORNEYS IN GRADUATE PROGRAMMES

CLIFFE DEKKER HOFMEYR
ENSAFRICA
EVERSHEDS SUTHERLAND
MAITLAND

WHOLLY DEDICATED TO TAX

BAKER MCKENZIE
BOWMANS
CLIFFE DEKKER HOFMEYR
ENSAFRICA
EVERSHEDS SUTHERLAND
FASKEN
MACROBERT ATTORNEYS
MAITLAND
NORTON ROSE FULBRIGHT
WEBBER WENTZEL
WERKSMANS

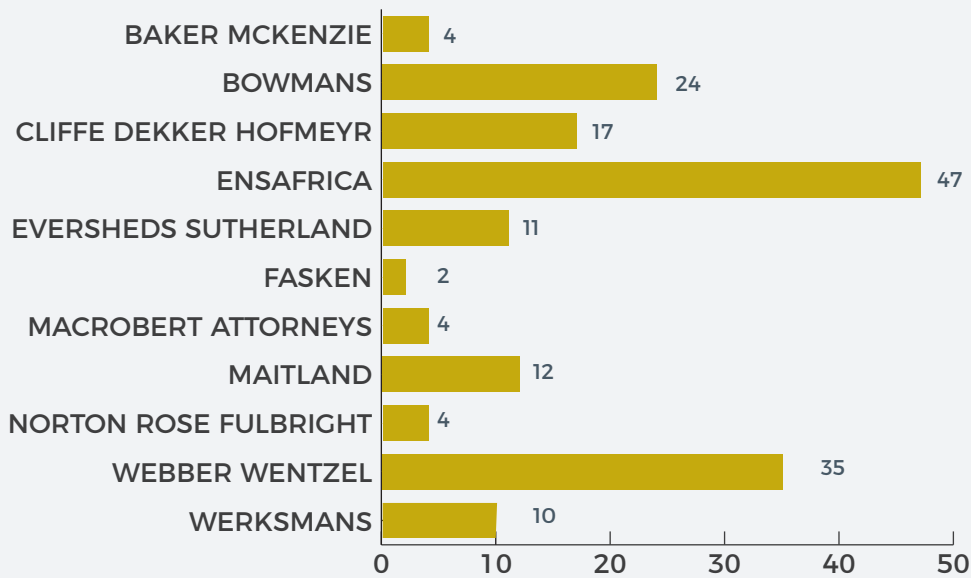
SERVE ON A ROTATION IN TAX

FIRMS THAT OFFER WINTER PROGRAMMES TO STUDENTS BEFORE THEY GRADUATE (WITH AN OPTION TO DO TAX)

BAKER MCKENZIE	The firm will have a virtual 2021 Mentoring Programme for interested candidates.
BOWMANS	Our Vacation Programmes for LLB students to participate in take place during the winter and summer of each year. The Virtual Experience Programme allows all students to gain exposure anywhere at any time by only registering on our website. The Virtual Vacation Programme is a way for us to offer a week of exposure while maintaining social distancing to selected applicants.
CLIFFE DEKKER HOFMEYR	We offer vacation programmes for law students bi-annually (summer and winter). Candidates who are selected may gain experience in our Tax department if they are interested.
ENSAFRICA	We host annual winter (June/July) and summer (November/December) vacation programmes. Placement in the Tax Department is dependent on the student's choice.
EVERSHEDS SUTHERLAND	Our winter programme takes place in June/July of each year. The focus is on various areas of law (there is no option to do tax only).
FASKEN	Yes. Find details on our website.
MACROBERT ATTORNEYS	N/A
MAITLAND	N/A
NORTON ROSE FULBRIGHT	The programmes are aligned to the varsities' June / July as well as November / December vacation periods. Prospective candidates who are selected attend a winter or summer vacation programme. This is not specifically aimed at tax law but students may request to be placed in the tax practice area for vacation work.
WEBBER WENTZEL	Our vacation programme runs for two weeks in June/July each year. During the vacation programme, participants may be placed within the Tax Practice group. Applicants need to apply for the Candidate Attorney Programme to be considered for the Vacation Programme.
WERKSMANS	We offer a winter and summer vacation programme for law students. However, this does not include an option to be placed in the Tax department.



**NUMBER OF PROFESSIONALS
IN THE FIRM'S SOUTH AFRICAN
TAX DEPARTMENT**



WHY SHOULD A GRADUATE CHOOSE YOUR FIRM AS OPPOSED TO A COMPETITOR'S?

Baker McKenzie is a truly global law firm. Founded in 1949, we advise many of the world's most dynamic and successful business organisations through our 13 000 people in 77 offices across 47 countries. Yet big does not mean impersonal. We work hard to ensure that everyone knows their role and has the support they need to perform it to the highest standard. Our culture encourages this – how we work, think and behave in a collaborative and fulfilling way.

BAKER MCKENZIE

In Johannesburg you will be part of an office with over 100 people. Originally opened in 2012, Baker McKenzie South Africa is well established in South Africa as a leading international law firm and is regularly involved in some of the country's most high-profile legal matters. We can offer you the work, pride and experience of being part of a leading law firm but in a local office environment that is hardworking, yet friendly and supportive.

BOWMANS

Bowmans is a leading African law firm. Our track record of providing specialist legal services, both domestic and cross-border, in the fields of corporate law, banking and finance law and dispute resolution, spans over a century. As we have in the past, we look to continue developing young, talented lawyers into the leaders we have since produced.

CLIFFE DEKKER HOFMEYR

We are a leading commercial law firm in Africa. Our Tax department has an excellent reputation with the most revered tax attorneys in the legal industry. Our Candidate Attorneys are rotated through four different practice areas in which they are exposed to working with leading industry practitioners. We also feel that it is important for our employees to 'live our values' which include respect, excellence, stewardship, integrity and teamwork.

ENSAFRICA

ENSAfrica's dedicated tax team offers the full spectrum of tax advice throughout Africa, including advising multinationals who are expanding on the continent. Our key differentiator is in being the largest tax team housed in a law firm on the African continent. We are able to offer clients a distinct competitive edge by combining unique areas of tax specialisation with extensive African and international experience and an innovative, solution-driven approach. We have a specialised Africa tax desk which advises on the tax consequences of domestic and cross-border transactions across the African continent.

ENSAfrica is recognised by top ranking agencies for achieving consistently high standards when working on the continent. As Africa's largest law firm with over 600 specialist practitioners, ENSAfrica has the capacity to deliver on our clients' requirements across all major industries and the continent. We are also part of the global Tax and network, which has offices in 50 countries across the world.

EVERSHEDS SUTHERLAND

Eversheds Sutherland South Africa is one of the leading full-service law firms in South Africa. As part of Eversheds Sutherland (International) LLP, we are positioned to provide clients with legal advice of the highest quality whether operating locally or across borders from our 69 offices across Africa, Asia, Europe, the Middle East and the United States. Our lawyers across the globe are united by our vision, values and understanding of client needs and are constantly on the lookout for better ways to provide creative and cost-effective legal and business solutions for our clients.

Our personal and professional approach along with our wealth of experience across a wide range of industries enable us to assist with unique challenges of business and other strategic issues that require legal insight. Further to this, the experience afforded to our team is invaluable. As the tax team is growing, there is opportunity for graduates.

FASKEN

Fasken is a specialist international law firm that offers candidate attorneys a wealth of training and learning opportunities. Not only do candidate attorneys receive extensive exposure in their day-to-day work across the practice groups, Fasken also offers a holistic and robust learning programme throughout the year. Candidate attorneys are continuously encouraged to engage and be curious while maintaining a high professional standard as they embark on their professional careers.

MACROBERT ATTORNEYS

Our aim is to recruit well rounded high calibre candidate attorneys, who are committed and suited to the practice of law within the diverse and multi-cultural environment at MacRobert. We aim to train candidate attorneys for their future roles as lawyers in legal practices and the legal corporate environment, by equipping them with the skills required to fulfil these positions.

MAITLAND

Two divisions within Maitland Private Client Services in South Africa provide graduates with in-depth tax exposure. Our legal team focuses on local and cross-border structuring and works closely with our many international offices. Our tax division works hand-in-hand with our fiduciary accounting team to provide tax services to individuals, trusts and companies. Both divisions operate within the broader Maitland context, exposing graduates (or candidate attorneys) who join the team to specialist tax knowledge and principles at a global level. It is an excellent learning school of practical application whilst holistically servicing clients.

NORTON ROSE FULBRIGHT

A multinational firm with opportunities to do secondments overseas and to work with teams outside of South Africa providing more exposure to graduates. Our ambition is to be world class: to be a global brand, with excellent lawyers in their chosen fields, profitable, ambitious, cooperative and considerate. Our business principles guide our behaviour worldwide and help to ensure that the practice operates to the highest standards. They describe the way we work and what we stand for.

WEBBER WENTZEL

Founded in 1868, Webber Wentzel is today one of Africa's leading law firms, providing clients with innovative solutions to their most complex legal issues. Our candidate attorney programme offers invaluable exposure and training from the best legal minds in the industry, and diverse development opportunities to help each candidate attorney become a valued member of our firm, get involved in the leadership network, and become responsible citizens. We believe in cultivating the knowledge and skills of our people to help them launch successful careers in law. Our candidate attorneys are encouraged to enhance and add value to the services that we provide to our clients.

Established in the early 1900s, Werksmans Attorneys is a leading South African corporate and commercial law firm serving multinationals, listed companies, financial institutions, entrepreneurs and government.

WERKSMANS

Operating in Gauteng and the Western Cape, and a member of the LEX Africa Alliance and The Interlex Group. Our success is built on a solid foundation of insightful and innovative deal structuring and legal advice; a keen understanding of business and economic imperatives; and a strong focus on achieving the best outcome for clients. With a formidable track record in mergers and acquisitions, banking and finance, commercial litigation and dispute resolution, Werksmans is distinguished by the people, clients and work that it attracts and retains. Our lawyers are a powerful team of independent-minded individuals who share a common service ethos.



TIPS
from the

HR

DEPARTMENTS

HR departments from accounting and law firms share some practical tips and advice on how to apply for that coveted job.



Baker McKenzie

We are looking for candidates who fit under our 'New Lawyer' campaign and concept.

New Lawyers have the following characteristics:

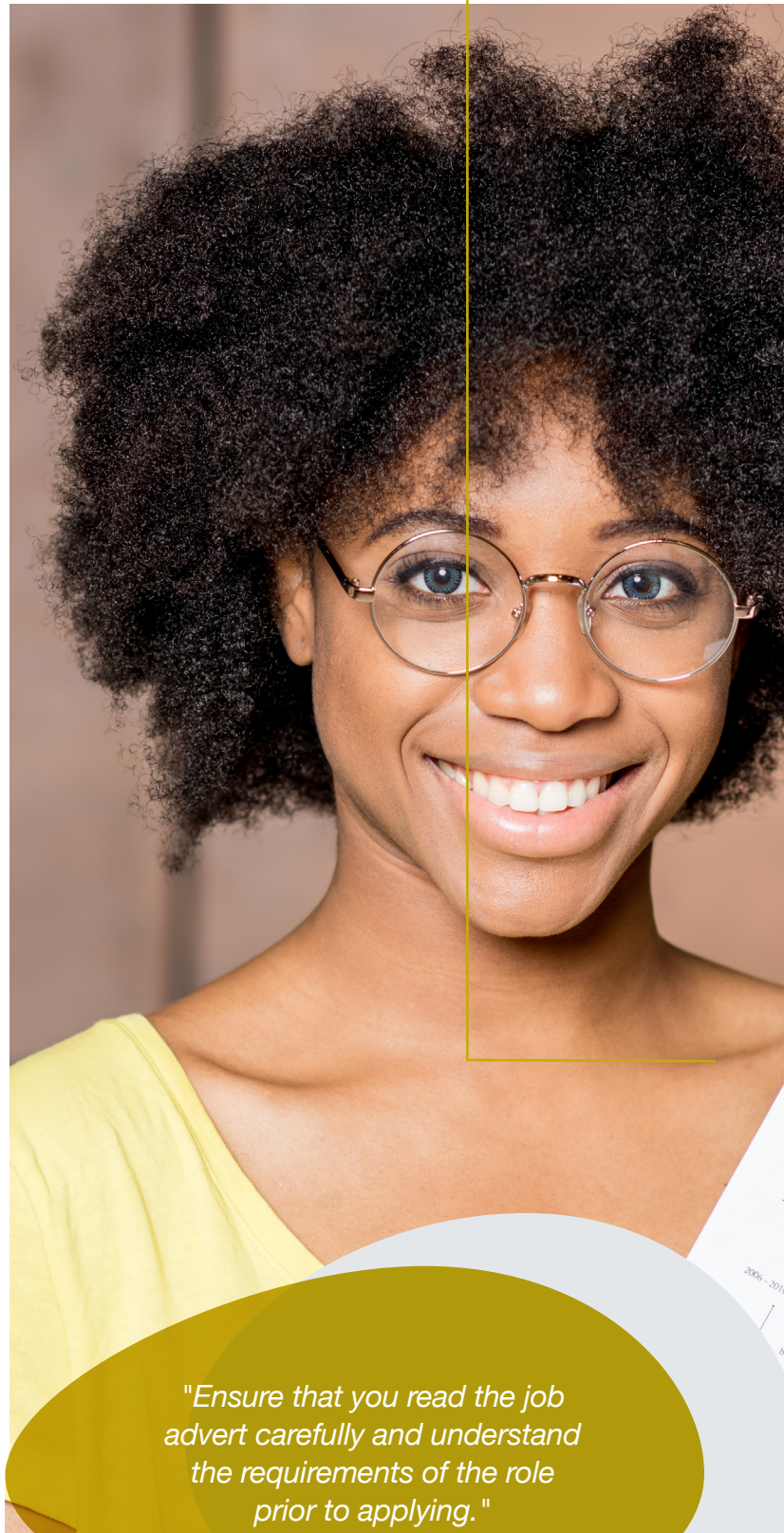
- Are adaptable during resilience, recovery and renewal phases
- Operate with speed and clarity
- Understand their essential roles as part of a highly focused team
- Commit to sustainability
- Believe in healthy ecosystems
- Are future focused
- Are client focused
- Work fluently across borders
- Are innovative
- Are diverse and inclusive
- Are mindful of their own well-being and that of others

Bowmans

- To stand out in an application process, make sure to spend your time at university wisely. Do well academically and ensure that you take part in some extra-curricular activities, so that it builds on your skillset!
- Do not leave making an application to the last minute. Apply early and make sure that you have all the necessary documentation to complete your application.
- In the legal industry we typically hire two to three years ahead of time, so do not leave making an application to your final year; it is generally quite late by then.

Cliffe Dekker Hofmeyr

One of the major impacts that COVID-19 and the lockdown had on graduates was a change in the university learning systems and, to their surprise, a change in the graduate recruitment processes. For a student seeking graduate opportunities, it may still be difficult to practically demonstrate their potential and the skills that they developed during a year of remote learning and social engagement. To stand out, in a highly competitive environment, students must do their research on the companies that they are interested in and dig deeper into the potential changes in their recruitment process and the integration of their juniors into the business. This will help inform the students' choices on what is most aligned to their career aspirations and their timelines for entering the world of work. It is also important to update their social media profiles and, to the extent possible, upskill themselves and participate in activities they can enjoy. This can include completing free online courses, volunteering to tutor high school students through online portals or participating in interesting webinars.



"Ensure that you read the job advert carefully and understand the requirements of the role prior to applying."



Crowe

When applying for a position with Crowe HZK, personalise your application by writing a cover letter explaining why you want to join our firm and what value you can add to our organisation. Tell us about your personal experiences and how they have shaped you and influenced where you want to take your career as a tax professional. When compiling your CV and cover letter, pay attention to detail and show us that you can communicate well.

Eversheds Sutherland

When applying for a position it is very important that the information you have provided in your CV is honest, not longer than two pages, is not superfluous and that you know it well enough to be able to answer questions your employer may have. It is very important to ensure that you do your homework on the company and position you are applying for and during the interview do not be afraid to ask questions. You must get to know the company and people as much as they want to get to know you.

EY

Ensure that you read the job advert carefully and understand the requirements of the role prior to applying.

Ensure your CV is structured in chronological order and is easy to read. It is important to submit supporting documents (CV, copy of ID, matric results, tertiary transcripts and proof of qualifications) when submitting an application. Ensure that you are contactable – via phone and email – should recruiters want to engage further with you.

Lastly, always remain professional when interacting with company representatives (e.g., recruiters).

Fasken

Highlight in your cover letter two or three key elements from your CV that set you apart and have contributed to developing your strengths. Explain how these elements will make you a better lawyer and why.

MacRobert

In an increasingly competitive world, it is of the utmost importance to ensure that your CV is up to date, accurate and complete. Organisations receive thousands of applications and make use of sophisticated recruitment techniques and technology to filter through CVs to create a shortlist of candidates. To give you the best chance of being shortlisted, make sure your CV is updated, has all the requested information and that you complete the application timeously and accurately.

Maitland

Since it is likely you will be applying for entry-level positions with less experience on your CV, a good tip is to not simply list your top five competencies/skills. Instead, give a one-sentence practical example of where you were able to demonstrate that competency in the context of holiday work, student group-work or life in general. For example, if you believe problem solving is one of your top strengths, give a sentence where others would have observed this competency in you. Ensure your CV presentation is meticulous.

Mazars

It is important to note that your application documentation is a company's first assessment of your skills. It is therefore vital to:

- Check your application for spelling and grammatical errors
- Ensure you are addressing your cover letter to the correct company and that your reasons for being a suitable candidate are properly articulated
- Ensure the dates of your education and work experience provided are accurate
- Express your interests in areas outside of your studies, such as university involvement, sports and so forth; this demonstrates certain abilities and competencies desired for the role

Moore

Check your CV to avoid spelling errors and layout issues and ensure your contact details and other information are up to date. If you are applying to more than one firm, ensure you update your application for the relevant firm. When you have been selected for an interview, remember to be on time and dress professionally. Always research the company, prepare some questions and make sure you have an understanding of the position you are being interviewed for. Be enthusiastic about every phone call or interview and remember to always believe in yourself.

Norton Rose Fulbright

Research as much as you can about the firm. Get involved in as many extracurricular activities as you can (on campus and off campus). Be prepared and make sure that even if it is a virtual meeting that you are dressed appropriately and that you are on time. Be natural and be yourself (do not sound over-rehearsed), and embrace the interview and questions as if you were talking to a friend. Try and increase your general knowledge and stay abreast of current affairs in South Africa as well as internationally. Embrace who you truly are and choose the firm with the best culture fit for you.

Office of the Tax Ombud

It is imperative to consider the below when you have graduated from university and are seeking an opportunity to work for the Office of the Tax Ombud. Furthermore, the most significant aspects are to be goal orientated and enthusiastic and to have integrity.

- Submit a detailed CV and cover letter.
- Read and understand the job specifications and requirements.
- Research and understand the service of the Office of the Tax Ombud by going through the website.
- Personal branding is mandatory, so dress appropriately when called for an interview.
- Have good communication skills.
- Honours graduates preferred as it always give a competitive advantage.

PwC

When submitting your online application, ensure that you complete all the required fields and upload all the required documents. This ensures a seamless screening process.

"It is important to note that your application documentation is a company's first assessment of your skills."

PKF

Make sure you contact the company and ensure that your application is being sent to the correct individual, i.e., hiring manager or recruitment officer.

Always double check your CV and emails for spelling errors or mistakes, as the first impression is lasting. Also attach your latest academic transcripts and all supporting documents, e.g. matric certificate, letters of recommendation and certificates of service (for any part-time work).

A well-presented CV with supporting documentation will stand you in better stead to be considered as opposed to merely presenting a CV on its own.

SARS

Follow these steps in the application process:

- Ensure you have an updated CV that highlights your strengths and interests.
- Clearly articulate the programme that you are interested in.
- Have a motivation ready when you apply for a programme.

SNG-GT

Use your most recent, updated CV. If you are on social media platforms make sure you have a positive online presence. Many employers will look you up online to verify the claims in your application.

Tax Consulting SA

As you embark on a career, here are a few important factors to bear in mind:

- First impressions last! Remember that your CV is an exact representation of who you are. Ensure the quality of your CV reflects same and leaves a lasting impression.
- Your approach when applying for a vacancy will determine how you are received. Be sure to send a well-drafted, impactful email and cover letter.
- Lastly, always be true and honest about your abilities and experience. Be humble and allow your actions to speak, rather than to oversell and under-deliver.

The Tax House

Below is a synopsis of the desired personal qualities, requirements for a CV and advice on how to approach an interview and then the job you have hopefully landed.

Traits and skills

- Integrity and honesty
- Good communication and interpersonal skills
- High energy levels
- Initiative
- A team player

CVs

- A professional CV format with correct spelling and good grammar.
- Include a covering letter.
- Emphasis on value add and accomplishments.
- Mention interests and hobbies.
- Provide several references.
- Limit CV to three or four pages.

Interviews

- Do some basic research on the company prior to the interview.
- Explain why you would be a good fit for the job.
- Dress appropriately and engage in a professional manner.
- Do ask questions about the job.

General

- Be prepared to grow and develop.
- Be prepared to accept challenges.

Webber Wentzel

We want people with the potential and ambition to be future partners at Webber Wentzel. Ensure you research the firm and attend our events before you start the application process. It is important that you understand the work we do and how it relates to your field of study and your future ambitions. The opportunity to serve as a candidate attorney is highly competitive, be considered in your approach. Read the questions, do your research and check your spelling and grammar before submitting. Show up fully and be authentic in the process, from completing the application to the assessments and the interviews.

Case Law

Wrap-up

- **ELANIE NUÑEZ**, elanie@taxconsulting.co.za &
MAHLOGONOLO MOTIMELE, mahlogonolo@taxconsulting.co.za &
ANÉ HORN, ane@taxconsulting.co.za

We summarise two cases dealing with remission of interest in terms of the VAT Act and a third case dealing with the treatment of multi-purpose vouchers in terms of that Act.

MEDTRONIC INTERNATIONAL TRADING SARL V CSARS (33400/2019) [2020] ZAGPPHC (15 February 2021)

Issue

The issue in this matter was whether the refusal of SARS to consider, adjudicate and decide on a request for remission of interest following the conclusion of a Voluntary Disclosure Programme (VDP) agreement with SARS by a taxpayer was competent, and whether there exists a statutory duty on SARS to do so.

Facts

The taxpayer suffered losses due to a former employee's fraudulent conduct by way of submitting false VAT 201 returns to and claiming reimbursements from SARS.

As a result, the taxpayer applied to SARS for VDP relief and, during the relevant discussions, the taxpayer requested that SARS waive the interest. The VDP unit responded to the effect that SARS was prepared to waive all understatement and late payment penalties; however, it did not have the authority to waive the interest arising from the underpayment of VAT.

The parties concluded two VDP agreements, but subsequently, the taxpayer requested that SARS consider a request for remission of interest, in terms of section 39(7)(a) of the Value-Added Tax Act (the VAT Act). SARS rejected the request as it viewed the taxpayer's request as an attempt to renege on its obligations per the VDP agreements, and therefore invalid.

Upon receipt of SARS' rejection, the taxpayer requested that SARS withdraw the decision in terms of the Tax Administration

Act. SARS persisted with its rejection and refused to withdraw its decision instead advising the taxpayer to lodge an objection.

The taxpayer thus brought a review application to the High Court to set SARS' decisions aside, in conjunction with its request for a declaratory order regarding the correct application of the law.

The taxpayer's case

The taxpayer argued that it was entitled to request the remittance of interest, as provided for in terms of section 39(7)(a) read with Interpretation Note 61 (IN61), since its failure to pay the relevant VAT amounts due was as a result of its previous employee's conduct and which was beyond its control.

The taxpayer contended that nothing in the Tax Administration Act precluded it from making the request for remission of interest and it is irrelevant whether the request is made subsequent to the conclusion of a VDP agreement. A statutory duty rests on SARS to consider, adjudicate and decide on such a request.

The taxpayer maintained that it had paid the amounts and interest due in terms of the VDP agreements and did not seek amendment thereof. Instead, in conformance with IN61, it argued that the remission of interest may be considered after it has been paid. Even though VDP agreements are not subject to objection or appeal, the legislation is silent on whether a remission is permitted.

SARS' case

SARS argued that the taxpayer's request was invalid, being an attempt to renege on its obligations under the VDP agreements, and the taxpayer ought to have submitted a notice of objection instead. It further maintained that, because the interest was due and payable in terms of the VDP agreements and not the

VAT Act, it could not be varied by waiving interest. Instead, the amount due could only be amended in terms of section 231(1) of the Tax Administration Act.

SARS further argued that section 39(7)(a) of the VAT Act, insofar as section 187(6) of the Tax Administration Act applies, does not apply to VDP agreements, since assessments pursuant to a VDP agreement are specifically excluded from being subject to objection or appeal.

SARS conceded, however, that it did not consider the taxpayer's request for remission, due to SARS' understanding that the relevant sections do not apply to interest that is due or has been paid in terms of a VDP agreement.

Outcome

The Court found in favour of the taxpayer.

Core reasoning

The Court found that SARS has a discretion as to which penalties to waive or reduce when concluding a VDP agreement, and that it also had a discretion whether to issue an assessment or make a determination for purposes of giving effect thereto. SARS clearly exercised this discretion on both of the above bases.

A taxpayer that is liable to pay interest on late VAT payments may find reprieve under section 39(7) if the delay in making timeous payment was due to circumstances out of its control. Read with IN61, a taxpayer has five years from the date of payment of interest to claim the remission of the interest, and such remission process is subject to objection and appeal.

The Court noted that neither an objection nor appeal is permitted in relation to a VDP agreement. However, while the remission of interest is not specifically included, nor is it excluded. If it is not legislated and cannot otherwise be interpreted, then it could never have been the intention of the legislature that such a request was impossible.

Further, since the VAT Act is the source of which penalties and taxes are payable by a taxpayer in terms of a VDP agreement, its application cannot be excluded when a remission or reprieve is sought in terms thereof.

The Court rejected SARS' argument that the taxpayer sought to vary the VDP agreements, since it was common cause that the taxpayer already paid the capital amount and interest in full. In any event, any variation must be agreed, reduced to writing and signed by both parties.

The Court found that no decision was taken by SARS to be reviewed in the present matter. The non-consideration by SARS of the request was swayed by errors in law, as it was not authorised by any empowering provision and failed to consider important considerations whilst irrelevant factors were considered.

Take-away

A taxpayer may submit a request for the remittance of interest, as provided for in terms of section 39(7)(a) of the VAT Act, at any time, notwithstanding a VDP agreement being in place.

PRICEWATERHOUSECOOPERS INC AND ANOTHER V MINISTER OF FINANCE AND ANOTHER 25705/2019 [2021] ZAGPPHC (2 February 2021)

Issue

The applicants in this matter challenged the constitutionality of section 39(7) of the Value-Added Tax Act (the VAT Act) which provides for the remittal of interest levied and sets out the circumstances under which SARS is empowered to effect a remittal of interest.

Facts

One of the applicants (the service provider) provides ongoing professional services to the other taxpayer (the recipient) and furnishes tax invoices based on estimates of the services rendered at the end of each month. At the end of each financial year, the service provider determines the services actually supplied and whether it has over- or under-invoiced the recipient.

The service provider found that, through some form of error, it had overcharged the recipient for the 2009 to 2013 financial years. Since it had overcharged the recipient in each year, the service provider had also overcharged VAT on its services. As a result, the service provider overpaid VAT and the recipient had underpaid VAT in the 2009 to 2013 financial years.

SARS imposed penalties and interest on the late VAT payments. A Voluntary Disclosure Programme (VDP) agreement was concluded between SARS and the recipient and SARS issued assessments in accordance therewith, totalling R97 988 700.18 as well as late payment penalties of R9 798 870 and interest in the total amount of R27 390 270.

The recipient submitted a request for remittal of the penalties and interest charged. SARS remitted the 2009 penalty and interest, but did not remit the interest for the period 2010 to 2013. SARS' ►

- ▶ reason was that section 39(7) of the VAT Act had been amended in 2010 and the effect thereof was to remove the possibility of remitting interest when there was no loss to the fiscus.

The applicants lodged an objection against SARS' decision. SARS rejected the objection and the applicants, therefore, launched this application.

The taxpayer's case

The applicants challenged the constitutionality of section 39(7) on two grounds. Firstly, relief was sought on the basis that section 39(7) is irrational and arbitrary. Secondly, section 39(7) permits the arbitrary deprivation of property and conflicts with section 25(1) of the Constitution.

The applicants advanced the argument that interest levied on late VAT payments constitutes money, being property. Thus, the prohibition of a remittal of a penalty where there is no loss to the fiscus is arbitrary deprivation of property. To this end, the obligations imposed by taxation (where an individual is compelled to pay money over to the State) constitute a deprivation of property.

The applicants further contended that interest levied by the fiscus is not a tax, but a penalty. If taxes do not constitute a deprivation of property, then interest nevertheless constitutes such a deprivation.

SARS' case

According to SARS, the reason for the 2010 amendment was that the pre-2010 position had presented practical difficulties insofar as vendors who were non-compliant had to obtain access to their counterparts' VAT records in order to prove there was no loss to the fiscus. These records are generally regarded as confidential and, as such, permission would need to be obtained in each case.

Therefore, besides being impractical, the previous system could work for interrelated entities less so for unrelated entities. It was, therefore, inconsistent, could lead to differential outcomes for different taxpayers and would not promote fairness or consistency. Furthermore, fairness required that a vendor's liability to pay interest should not be dependent on whether the recipient claimed input VAT on the same transaction.

Outcome

The Court found in favour of SARS.

Core reasoning

Section 39 of the VAT Act distinguishes between the circumstances under which interest is charged and those that apply to the remittal of interest.

The Court held that the provisions of section 39(1) stand on a different policy and legal footing than those of section 39(7). The constitutional challenge had to be confined to what the Notice of Motion stated, which was an order for a declaration of invalidity of section 39(7) and which section deals with remittal of interest.

Our courts have generally accepted that the purpose of interest is to compensate the creditor for the lost opportunity of productively using the money if it had been paid timeously. The amendment moved the focus away from remittal of interest based on a consideration of loss to the fiscus to the conduct of the taxpayer and whether the failure to pay tax timeously was due to circumstances beyond the control of the taxpayer.

The Court held that the enquiry for irrationality and arbitrariness is an objective enquiry. Ultimately, the question that arose was whether the means chosen to regulate the remittal of interest, being section 39(7), are connected to the ends of achieving an efficient VAT system that requires the prompt settlement of tax debts in the overall context of VAT.

The Court emphasised that very few rights can be regarded as absolute, with most being subject to justifiable limitation under the Constitution. Not all interference with property rights constitutes a deprivation of property. Taxes are very much part of the normal restrictions on property use, being necessary in an open and democratic society to enable the State to discharge its obligations. The suggestion that taxation is somehow beyond what may be regarded as the normal restrictions on the use of property is ill conceived.

The argument of the applicants was flawed, because the imposition of interest provided for in section 39(1) has not been challenged in these proceedings and the challenge is confined to section 39(7). Further, the tax obligation and the interest obligations, while being separate obligations in law, are inextricably intertwined. There can be no interest obligation in the absence of a tax obligation.

The Court further stated that no case had been advanced to the effect that the impugned section may lead to a deprivation of property. Therefore there was no need to consider the question of arbitrariness as required in terms of section 25(1).

Take-away

When a taxpayer challenges the constitutionality of a particular section, the challenge is limited to the arguments set out by them. One cannot ask a court to look beyond the ambit of a relevant Notice of Motion in advancing their arguments.

The focus of section 39(7) is no longer considered with reference to the loss to the fiscus. Rather, it is the conduct of the taxpayer, and whether the failure to pay tax on time was due to circumstances beyond their control.

**MOBILE TELEPHONE NETWORKS (PTY) LIMITED
V CSARS**
(79960/2019)

Issue

The issue in this matter was whether the taxpayer's supply of pre-paid multi-purpose vouchers was to be treated in terms of section 10(18) or (19) of the Value-Added Tax Act (the VAT Act).

Facts

The vendor is a private company in the business of a mobile network operator and service provider.

The dispute between the parties originated from the way in which VAT is applied when the vendor supplies members of the public with pre-paid multi-purpose vouchers (multi-purpose voucher). A multi-purpose voucher is a pre-paid voucher denominated in rands, valid for a specific period, which provides the holder access to different types of services and products offered by the taxpayer. This includes airtime up to the value of the voucher. The taxpayer also referred to the multi-purpose voucher as an "airtime voucher".

The taxpayer approached SARS for a VAT ruling declaring that supply of the multi-purpose voucher falls within the ambit of section 10(18). SARS, however, refused to accede and instead made a ruling (the VAT ruling) that the supply of multi-purpose vouchers fell within the ambit of section 10(19).

The taxpayer was dissatisfied with the VAT ruling and approached the High Court for an order declaring that the supply of multi-purpose vouchers constitutes supply as contemplated in section 10(18) and the supply of such vouchers is, therefore, disregarded for the purposes of the VAT Act. The taxpayer also sought an order setting aside the VAT ruling issued by SARS.

The taxpayer's case

The taxpayer contended that multi-purpose vouchers are supplied in terms of section 10(18) of the VAT Act, as revenue is only realised when the voucher is used for a specific product or service and not at the time when the multi-purpose voucher is purchased. The taxpayer further argued that the multi-purpose vouchers operate as money, which the holder surrenders in exchange for unspecified services.

SARS' case

SARS contended that the multi-purpose vouchers are supplied in terms of section 10(19) as the holder of the voucher is entitled, upon the surrender thereof, to receive specified goods or services.

Further, SARS argued that the taxpayer only sought the declaratory order as a means of gaining financial advantage by delaying the VAT consideration at the point of sale of the voucher or retention of the VAT consideration where a voucher is purchased but not subsequently used.

Outcome

The Court ruled in favour of SARS.

Core reasoning

The Court dismissed the taxpayer's argument that revenue is only recognised once the multi-purpose voucher is activated. The Court referred to section 9(1) of the VAT Act, which entitles the vendor to account for VAT charged on the sale of a voucher in the period in which the voucher was sold. It further held that the supply of "airtime" in the form of a voucher attracts revenue for the taxpayer in terms of section 7(1)(a) of the VAT Act.

The Court also held that the multi-purpose voucher is specifically an "airtime" voucher and does not constitute a means of payment for unspecified goods and services. The fact that the multi-purpose voucher can be used to make and receive calls, send messages, use the internet, etc. does not change the nature of the voucher and does not change the fact that the supply of "airtime" falls within the category of specific goods or services.

Mention was also made of the fact that the vendor historically acceded to SARS' interpretation of the multi-purpose voucher. The Court referred to the principle established by the Supreme Court of Appeal in the Bosch case that "... in any marginal question of statutory interpretation, evidence that it has been interpreted in a consistent way for a substantial period of time by those responsible for the administration of the legislation is admissible and may be favourable to tip the balance in favour of that interpretation".

Consequently, considering the factual background, the purpose of the relevant sections as well as its context and wording, SARS' interpretation that the multi-purpose voucher fell within the ambit of section 10(19) was correct.

Take-away

While it is not advisable to simply rely on SARS' interpretation of a relevant provision, taxpayers should similarly exercise caution in approaching the Court for a declaratory order which seeks to overturn such interpretation after years of accepting same as correct.





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