

REVISED SARS REQUIREMENTS FOR PRACTITIONER REGISTRATION AND RETENTION:

2022 AMENDED CRITERIA FOR RECOGNISED CONTROLLING BODIES

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Introduction

The South African Revenue Service (SARS) has been engaging with Recognised Controlling Bodies (RCBs) from late 2021 to discuss minimum requirements for SARS tax practitioner status. The proposed amendments seek to enhance professionalism within the Tax Advisory Industry/Profession. Whilst fundamental principles remain unchanged, some standards have been elevated and others are being more heavily emphasised.

Technical hygiene requirements:

- New entrants
- Ongoing members (retention)

Professional ethics framework:

- Integrity
- Objectivity
- Professional competence and due care
- Confidentiality
- Professional behaviour

Stakeholder Applicability of the Amended Proposed Practitioner Standards

Relevant Stakeholders	
	The client-taxpayer
	Government agencies including the SARS
	SAIT, SAICA, SAIPA, FPI other RCB members
	The general public
	Other Professional Bodies

General Overview

Effective date: 1 June 2022

Amended Entry Criteria (New members):

1. Minimum qualifications (NQF levels and experience)
2. Completion of SARS Readiness Programme
3. Tax Compliance
4. Formal Criminal Clearance Certificate

Key Membership Retention Criteria (all Members):

5. CPE/CPD compliance requirements (new SARS standards)
7. Tax Compliance
8. Declaration of Criminal-free status
9. Ongoing adherence to professional ethics standards

Minimum Qualifications Criteria (NQF Levels and Work-Tax Experience)

The following are minimum educational and experiential standards for membership award

- **NQF level 6** and above with at least one accounting module and one tax module, **plus at least 1 year's tax working experience;**
- **NQF level 5** plus **at least 4 years** experience;
or
- **NQF level 4** plus **10 years'** tax working experience.

Discussion Points:

- The work experience requirements have been enhanced
- The NQF 6 Level is below a 3-year degree?
- NQF4s no longer need to convert to NQF5s but now require 10 years of work-tax experience

Note: The tax working experience must be verifiable by the employers or clients.

SARS Readiness Programme

Key Discussion Points

- Induction of new members;
- Content and hosting of the programme;
- Completion rules and time-lines.



What is the SARS Readiness Programme?

The programme is essentially an induction programme to ensure that new members are fit for practice.

- Eight (8) basic profession-based modules (15 minute each)
- Assessments (MCQ) – 90% correct answers overall (test can be retaken)

Tax Compliance Requirement (Entry and Retention)

SARS has the power to deregister under the Tax Administration Act, 2011:

- for lack of personal tax compliance(Section 240(3)(d)); or
- for being prosecuted and convicted for a criminal offence (Section 240(4).

Requirement:

- Submission of valid TCC/PIN (annually)
- Declare/disclose any prosecution and conviction

Discussion Points:

- Temporary suspension if rectified (6 months delay?)
- Permanent termination conditions (severe violations?)

Criminal Clearance (Entry and Retention)

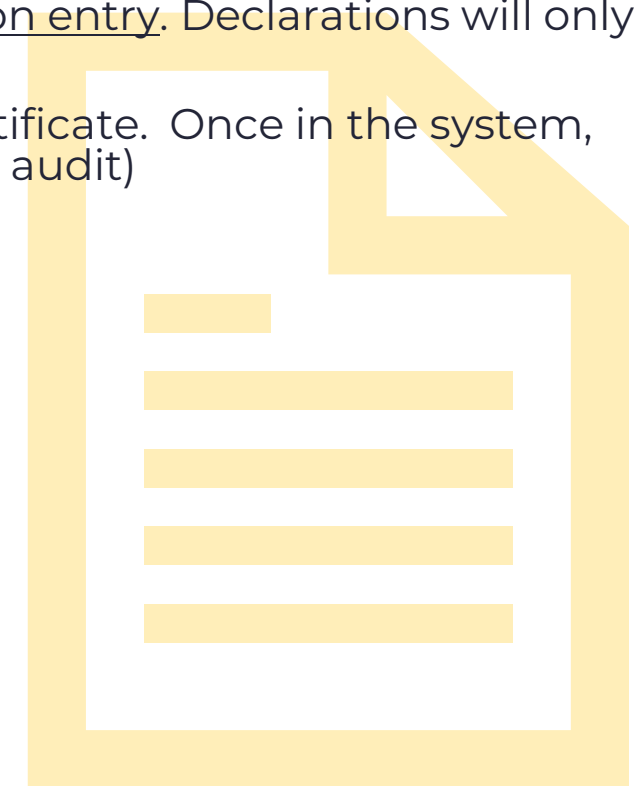
The rules for criminal clearance differ for new members as opposed ongoing members.

All new members must produce a formal criminal clearance certificate upon entry. Declarations will only be accepted upon annual renewal of membership.

However, existing members will not be required to file a second formal certificate. Once in the system, ongoing members must instead submit an affidavit every 5 years (i.e. upon audit)

Some Service Providers:

1. SOUTH AFRICAN POLICE SERVICE
2. MIE
3. HURU
4. AFISWITCH
5. GOV DOCS MADE SIMPLE
6. PostNet



Note: The above service providers have specific requirements, turnaround times and related costs.

Continued Professional Development – Verifiable Hours

Members must demonstrate a commitment to maintaining their skills by regularly involving themselves in continuous professional development. This requirement must be satisfied annually:

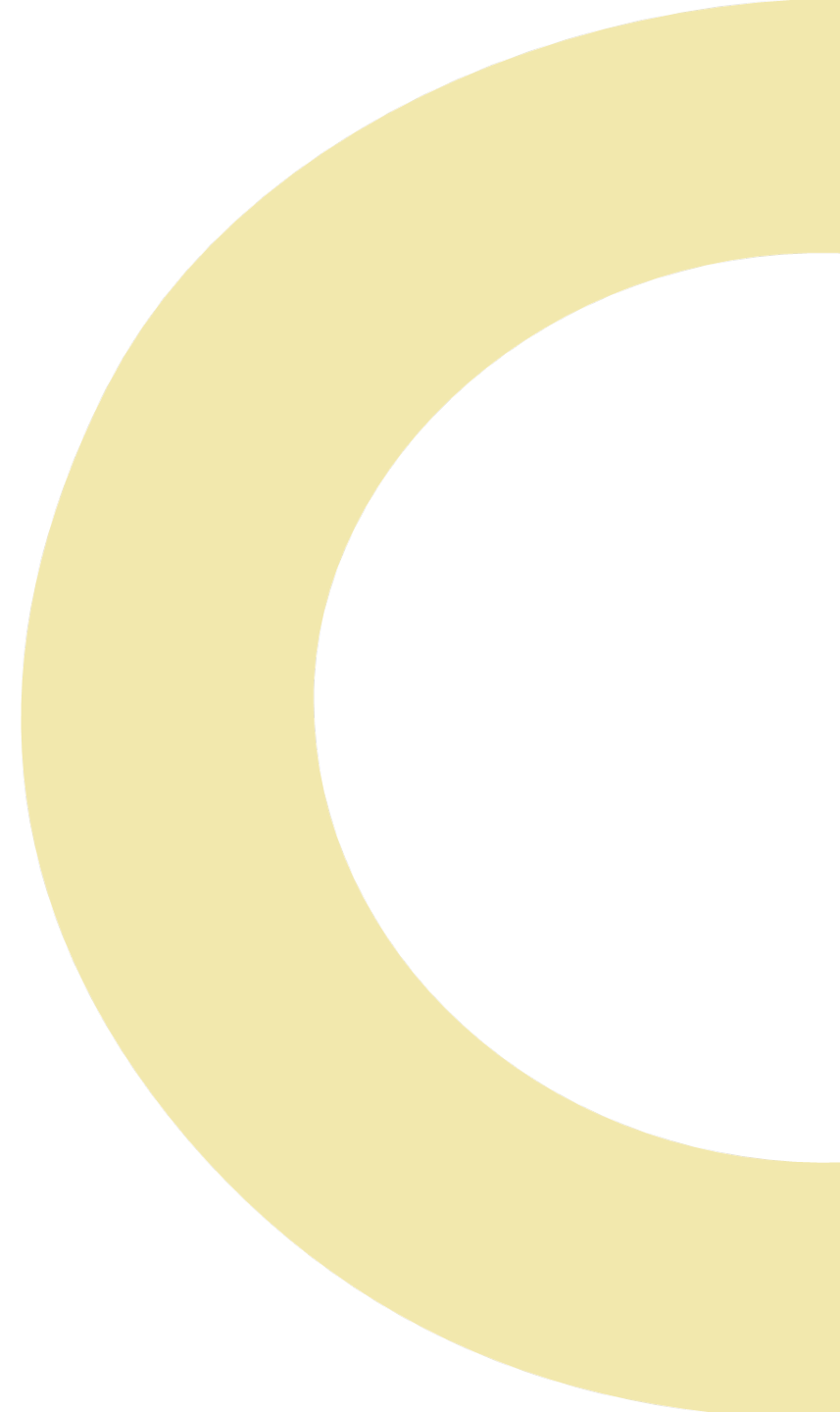
- Various RCBs have unique CPD compliance requirements.
- Records to be retained for 5 years.
- Annual CPD audit required.

Minimum standards set by SARS (post 1 June 2022):

- 10 tax-specific verifiable hours;
- 2 ethics hours; and
- 6 hours profession-specific.

Pre-1 June minimum standards set by SARS:

- 9 tax-specific verifiable hours;
- 6 non-verifiable hours



Code of Conduct

All RCB members are required to observe the rules and standards of that RCB.

- Currently, SALT has reviewed all its Codes which are under final review for adoption.
- Complaints from SARS and clients may lead to disciplinary action against a member.
- Failure to adhere to RCB rules and guilty findings against complaints may lead to sanctions including, without limitation, to suspension or termination of membership.

Central database of de-registered members (misconduct and non-compliance)

A central database is to be maintained by SARS containing details of members de-registered for:

- Gross misconduct (contravention of RCB codes)
- Conduct with elements of fraud and dishonesty
- Other criminal prosecutions and convictions.

Such conduct, if found guilty, divests a member from membership as the member is unfit to practice and be trusted with an office of trust.