



**South African Fiscal Association**

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3 October 2006

Newsletter 3/2006

**Dear members**

**Seminar: Cape Town - 24 October 2006 Johannesburg - 26 October 2006**  
**TOPIC: Advance Tax Ruling System Implementation**

Our third round of seminars for 2006 will take place on the above dates. We have secured an early presentation on the topic for SAFA. The ruling system “kicks off” on 16 October 2006.

Tax certainty is an important cornerstone of any tax system. The introduction of an Advance Tax Ruling system is an important step in providing certainty to South Africa’s rather complicated tax system. SAFA members should therefore ensure that they attend this seminar to learn firsthand from senior SARS officials who developed the system and will be responsible for the implementation thereof.

Below is a summary extract from a SARS notice on the content of the presentation:

- By Proclamation dated 23 September 2006, the President has fixed 1 October 2006 as the date on which the enabling legislation for the new Advance Tax Ruling System will come into effect.
- The System authorises the Commissioner to issue two new types of rulings: binding private rulings and binding general rulings.
- Under this system, taxpayers may formally request a ruling from the Commissioner in connection with the interpretation and application of the tax laws to a specific proposed transaction, subject to certain limitations.
- The ruling will generally be binding on the Commissioner when an assessment is made in connection with that transaction.
- The binding effect only applies to the applicant who requested the ruling. The binding private rulings may not be cited as precedent by any other taxpayer.

- The Commissioner will begin to accept applications for binding private rulings on 16 October 2006.

#### **DATES, VENUES AND BOOKING DETAILS:**

**Date:** 24 October 2006  
**Place:** Cape Town  
 PricewaterhouseCoopers  
 No 1 Waterhouse Place  
 Century City  
**Time:** 18h00 to 19h30  
**Topic:** Advance Tax Ruling System Implementation  
**Speakers:** Edward Liptak - SARS  
 Marlene Pienaar - SARS  
**Bookings:** [jolandie.james@za.pwc.com](mailto:jolandie.james@za.pwc.com) Tel no: 021- 529 2368

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**Date:** 26 October 2006  
**Place:** Johannesburg  
 KPMG Auditorium, 85 Empire Road, Parktown  
**Time:** 18h00 to 19h30  
**Topic:** Advance Tax Ruling System Implementation  
**Speakers:** Edward Liptak - SARS  
 Marlene Pienaar - SARS  
**Bookings:** [Jerome.balakistan@kpmg.co.za](mailto:Jerome.balakistan@kpmg.co.za) Tel: 011 647 5716

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#### **FEEDBACK FROM THE IFA 2006 CONGRESS IN AMSTERDAM**

There was a strong South African contingent present at the Congress. The presentations were generally of a high quality and members are encouraged to learn more about them from the IFA website. Information is that Subject II and seminar G would be made available on video/CD. Once SAFA receives the presentations in this format it will be made available to members who are interested.

The following were the topics of the Congress:

**Subject I : The tax consequences of restructuring of indebtedness (debt work-outs)**

**Subject I : 2006 Break-out session A : The tax consequences of restructuring of indebtedness (debt work-outs) between related parties**

**Subject II : The attribution of profits to permanent establishments (PEs)**

**Subject II : 2006 Break-out session A : The attribution of profits to PEs : selected issues for financial institutions**

**Subject II : 2006 Break-out session B : The attribution of profits to PEs : EC law and non-discrimination issues**

**2006 Seminar A : Indirect tax aspects of cross-border services**

**2006 Seminar B : IFA/OECD - Do enterprises mean business ?**

**2006 Seminar C : International cooperation in countering tax avoidance**

**2006 Seminar D : The effect of regional and global trade agreements on domestic tax law and bilateral tax conventions**

**2006 Seminar E : Recent developments in international tax**

**2006 Seminar F : IFA/EU : the need and scope for coordination of tax policies in the EU**

**2006 Seminar G : Tax accounting versus commercial accounting**

**2006 Seminar YIN : Debt-to-equity conversion**

Please visit the IFA Website at [www.ifa.nl](http://www.ifa.nl) for detail of each topic. The topics are divided into various subheadings such as: Outline, Panel Composition, Slides, Summary of Discussion. You will require your or your firm's IFA membership number and password in order to access these topics in the secure part of the website. As SAFA is not in possession of your IFA passwords, please obtain these direct from IFA at [Marga\\_Vink/IFA@ifa.nl](mailto:Marga_Vink/IFA@ifa.nl) or [L.gensecr@ifa.nl](mailto:L.gensecr@ifa.nl)

Please take note that the 2007 IFA Congress will be in Kyoto, Japan. More information on this is available on <http://www.ifa-kyoto.jp>

Regards

**Charl du Toit**  
**President: SAFA**