



**South African Fiscal Association**

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22 July 2009

**Newsletter 3/2009**

**Dear members**

**Seminar on the meaning of permanent establishments (“PE’s”)**

1. The second seminar for **2009** on the abovementioned topic will be held on  
  
11 August 2009 in Cape Town and  
13 August 2009 in Johannesburg
2. PE’s is a very important issue in international tax and SAFA has never dealt with it before. It is also one of the main topics at this year’s IFA Congress in Vancouver – see below.
3. In an international context the importance of PE is mainly to determine the right to the taxation of business profits between two states. The term is, however, also important for domestic tax purposes, for example to determine the relevant currencies for purposes of calculating foreign profits – see paragraph 43 of the Eighth Schedule and section 9D.
4. The PE topic is probably best explained and discussed with reference to case studies and this is also the format that will be used in the SAFA seminars.
5. Once again SAFA has been able to secure speakers who are well qualified to speak on the seminar topic. **Ron van der Merwe** from SARS is South Africa’s most experienced tax treaty negotiator and has been involved in treaty work and negotiation since 1992. Specifically with regard to PE’s Ron has been involved in work in this regard at the OECD Working Party No 1 and at the UN Committee of Experts. This work has been targeted at updating the OECD Commentary and at the UN in relation to a new commentary and lately possible changes to the Article itself. In addition, he has been involved with the OECD in numerous workshops in which the subject has been dealt with.
6. The second speaker is **Johann Hattingh**, senior tax manager at PricewaterhouseCoopers. Johann obtained a LL.M degree in International Tax Law from Leiden University and has since been involved in various international seminars and publications as well as advising on international transactions relating to PEs.

**BOOKING DETAILS FOR AUGUST SEMINARS:**

**Date:** 11 August 2009  
**Place:** Cape Town  
PricewaterhouseCoopers, No 1 Waterhouse Place  
Century City  
**Time:** 18h00 to 19h30  
**Speakers:** Ron van der Merwe  
Johann Hattingh  
**Bookings:** [jolandie.james@za.pwc.com](mailto:jolandie.james@za.pwc.com) Tel no: 021- 529 2368

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**Date:** 13 August 2009  
**Place:** Johannesburg:  
Webber Wentzel, No 10 Fricker Road, Illovo Boulevard,  
Johannesburg, 2196  
**Time:** 18h00 to 19h30  
**Speakers:** Ron van der Merwe  
Johann Hattingh  
**Bookings:** [jolandie.james@za.pwc.com](mailto:jolandie.james@za.pwc.com) Tel no: 021- 529 2368

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**4. Annual General Meeting**

Notice is hereby given that the AGM for SAFA will take place at the Webber Wentzel offices in a designated room shortly before the seminar on 13 August 2009, all members are welcome to attend.

**5. IFA Congress 2009 - Vancouver, Canada**

Detail on the annual IFA congress in Vancouver may be found through the IFA link on our SAFA website - [www.ifa-safa.org](http://www.ifa-safa.org) . For those who are still interested, please find out all about the topics and dates of the congress by visiting the website which has a host of information.

**6. Subscriptions**

For those members who have not yet settled their subscriptions for 2009, please do so as soon as possible. We will be following up on this within the next week.

Regards

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