



South African Fiscal Association

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Newsletter 2/2005

6 April 2005

Dear members of the South African Fiscal Association (“SAFA”)

The first evening seminar

1. The first evening seminar will be on the 10th May 2005 in Johannesburg (at the KPMG office) and the 12th May 2005 in Cape Town (at the PricewaterhouseCoopers office). The seminar commences at 18h00 and terminates at 19h30. The following topics will be covered by the speakers mentioned hereunder:

Speaker 1: Mr Edward Kieswetter, Head of SARS Large Business Centre (“LBC”) in Sunninghill:

"What to expect from the LBC"

The LBC was migrated from the Corporate Tax Centre and is now situated in Sunninghill. Little is known about the policy rationale behind the establishment or transformation of this institution. Mr Edward Kieswetter who was appointed by SARS to head up the division will demystify these matters and reveal the aim, approach, structure, priorities and most important current issues of the LBC. He will address the LBC's role as tax collector and enforcer as opposed to a service provider and its future focus.

Speaker 2: Prof Phillip Haupt, UCT, Author, Tax advisor:

"The meaning of "dividend"

Anyone in business knows what a “dividend” is - this may be what we think until we start dealing with more complex situations. What is the meaning of "dividend" for purposes of company law, accounting and tax? What is the difference between capital and revenue profits? What is the position regarding a dividend in specie (going concern vs liquidation). When is a distribution in specie a dividend for purposes of sections 1 and 64B, and the 8th Schedule? What is the role of revaluation reserves? When is a dividend a liquidation dividend in terms of section (a) of the "dividend" definition in section 1 - does this only refer to dividends after the formal decision to liquidate?

Speaker 3: David Clegg, Tax Partner Ernst &Young:**"Interpretation of domestic tax law"**

One of the implications of all the tax amendments in South Africa during the last few years is that many of the new provisions have not been considered by the courts. Taxpayers often only have the wording of the Act to consider in determining the meaning of certain provisions. The question of the correct interpretation methodology is therefore very relevant and a few recent court cases dealt with the matter. Does one look at the literal meaning or at the intention, purpose, context, etc? How did the SA Courts historically approach statutory interpretation prior to the constitutional dispensation and how do they approach it today?

Date: 10 MAY 2005
Place: Johannesburg
 KPMG Auditorium, 85 Empire Road, Parktown
Time: 18h00 to 19h30
Topics: 1. What to expect from the LBC – Mr Edward Kieswetter
 2. The meaning of "dividend" – Prof Phillip Haupt
 3. "Interpretation of domestic tax law" – David Clegg
Bookings: Lolitha.Samlal@kpmg.co.za

Date: 12 MAY 2005
Place: Cape Town
 PricewaterhouseCoopers
 No 1 Waterhouse Place
 Century City
Time: 18h00 to 19h30
Topic: 1. What to expect from the LBC – Mr Edward Kieswetter
 2. The meaning of "dividend" – Prof Philip Haupt
 3. "Interpretation of domestic tax law" - David Clegg
Bookings: jolandie.james@za.pwc.com

Cost for attending seminars regarding members are as follows

The cost for the seminar is as follows:

Individual members: no charge

Corporate members: first four attendees, no charge, thereafter subject to availability of seats.

Students : no charge, subject to availability of seats

Booking procedure for Members

This remains unchanged, simply e-mail Jolandie James in Cape Town or Lolitha Samlal in Johannesburg as mentioned under the venue details and make your reservation citing your IFA membership number.

BOOKING PROCEDURE AND COST FOR NON-MEMBERS

The cost is R500-00 and registration for non-members will be confirmed once payment has been effected. There will be no refund for any cancellation one week prior to the seminar. Cheques must be deposited and cleared 10 days before the seminar. Alternatively, cash may be tendered and all deposits must be effected to the following account:

Account Name: South African Fiscal Association
Bank: Standard Bank of SA Limited
Branch: Sandton City Branch, Code 018105
Account No. 021545375

Deposit slips with clear details regarding identity must be faxed to:

Johannesburg seminar: Lolitha Samlal : 011 647 5819

Cape Town seminar: Jolandie James : 021 529 3309

Membership

2. Invoices for 2005 subscriptions have been sent out last month. Please settle your accounts as soon as possible as the IFA parent body requires their account to be settled by April 2005. Membership fees for 2005 will be R2,000.00 for corporate members and R1,000.00 for individual members. The subscriptions for 2005 have again not increased on the basis that we hope to grow the membership with the assistance of current members.

SAFA Annual General Meeting

3. It is planned to hold the Annual General Meeting on the same day as the first seminar in Cape Town. The meeting will start at 17h00 at the PricewaterhouseCoopers office. We will be rotating the AGM venues as mentioned in our first newsletter of 2004.

Election of members of the executive committee

4. **We urge members** to offer their services to SAFA for 2005. Those who cannot attend the AGM may do so by proxy. We are particularly looking for persons who are willing to commit their time to the activities of SAFA's Scientific Committee. These activities still need to be finalised but it could include reviving the tax thesis competition or assisting members with research projects on appropriate tax topics in order to enhance South Africa's tax profile internationally.

Charl du Toit
President: SAFA