South African Institute of Taxation: how the CTA designation is going

Briefings

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It has been one year since the South African Institute of Taxation (SAIT) was granted the licence to offer South Africans the Chartered Tax Adviser (CTA) designation. We shine a spotlight on the effects of this change.

The Chartered Tax Adviser designation was – and continues to be – a very welcome development for South African tax professionals. Given the premiere status of the designation, SAIT is navigating standards so that only members with elite tax expertise are becoming part of the designation.

With SAIT being the only professional body to offer the distinguished CTA designation in South Africa, a great deal of work has gone into shaping the tax profession and attracting qualifying members. Unlike other local tax designations, the CTA is internationally recognised by world class clientele and tax firms.

All of these undertakings have occurred during a period when the South African Revenue of Service (SARS) has altered the tax professional landscape by demanding

higher standards to practise tax. South African tax practitioners must now:

- satisfy criminal clearance;
- have a clean tax status with no debt owing to the SARS;
- have a higher level of experience and education to practise tax;
- pass an entry examination in terms of SARS systems; and
- face increased monitoring of standards to maintain tax registration with SARS.

Taxpayers need to know that they can hire tax practitioners who they can trust in terms of integrity and skill. The main goal of tax practitioners is ‘assurance’ for their clients that all work submitted to SARS is accurate and can withstand scrutiny.

There is a danger that heightened standards can produce some inequitable results, including leaving honest taxpayers more vulnerable to audit penalties without recourse in a system that dismisses safe-harbour provisions. There is also the danger that tax professionals may be lost to the unregulated ‘ghost practitioner’ market, leading to the failure to eliminate unregistered tax professionals.

However, SAIT currently has a constituency of more than 180 registered chartered tax advisers. Over 250 members are waiting to be converted, which will mean that SAIT’s CTA pool will exceed 400 practitioners. The journey has been remarkable with proven industry benefits and excitement at the opportunity to become a chartered tax adviser.

SAIT continues to strive to enhance its training programme to require higher entry standards for new trainees. This will initially lead to trainees gaining Tax Advisory status, with eligibility for CTA status at a later stage. Basic skills mainly focus on compliance in different specialised fields, while higher qualifications focus on advisory and litigation.

SAIT currently has three main designations: the Chartered Tax Adviser; the General Tax Practitioner; and the Tax Technician Practitioner. SAIT has expanded into customs and other speciality areas. With the CTA in hand, SAIT expects to grow in numbers and prestige for many years to come.

> ‘SAIT has come a long way since its humble beginning in 2007. With the CTA, membership in SAIT is the premiere hallmark of professionalism in the South African tax field.’

Keith Engel, CEO of SAIT

> ‘I am officially recognised by SAIT as a Chartered Tax Adviser. I could not share this milestone without thanking Keith Engel and the Chartered Institute of Taxation (CIOT) for partnering with SAIT.’

Suzanne Smit, Fidelis Vox

> ‘Thank you, South African Institute of Taxation, for this honour. Congratulations to SAIT on bringing this international recognised designation to South Africa – what an achievement! I am proud to be part of SAIT.’

Nico Theron, Unicus Tax Academy