

## Keeping abreast in a taxing environment

Regulatory changes are one of many challenges facing the tax industry and the professionals in the field. Any credible practitioner has to be aware of what is happening in the industry and needs to understand the trends and challenges which could impact on the way they work.

For example, some of the amendments of the draft Tax Administration Laws Amendment Bill will have a direct impact on the tax practitioners, particularly small and medium-sized enterprises (SMEs), who need to be in a position to respond effectively through professional development.



© alexskopje 123rf.com

## SMEs

Currently, the proposed amendments to the Bill are particularly relevant to the tax practitioner, especially for those who work within the SME sector. The proposed inclusion of personal liabilities companies into the small business corporation section of the Act will have a marked impact on the industry.

The Companies Act 71 of 2008 replaced the incorporated companies (Inc) with personal liability companies and Section 1 of the Companies Act defined a private company as a profit company that is not a public, personal liability or state-owned company.

The exclusion of the personal liability company in the definition of a private company resulted in its exclusion from the income list of entities included in the definition of small business corporation tax, explains Faith Ngwenya, technical executive at South African Institute of Professional Accountants (SAIPA). “This has negatively impacted the many small businesses registered as personal liability entities from benefitting from the SME favourable provisions of the small business corporations.”

SAIPA is working with the government and proposing that personal liabilities companies be included on the SBC list and further motivating for the national treasury to consider backdating the proposed change to the inception of the Act.

## **Tax Indaba**

This and other topics will come under the spotlight at the [Tax Indaba](#), running from 5-9 September at the Vodaworld Conference Centre in Midrand.

The tax policy panel discussion, led by Michael Katz and Judge Dennis Davis, will focus on balancing government enforcement against taxpayer rights, the challenges facing small service companies and the changes to the tax ombud. The keynote address will be done by the South African Revenue Service (SARS) commissioner, Tom Moyane.

Furthermore, the issues around the Bill will be discussed alongside other challenges, which affect the practitioner’s day-to-day dealings with clients. Attendees can gain insight into tax dispute resolution, how to approach a SARS payroll audit and estate planning for savings and small business.

For more, visit: <https://www.bizcommunity.com>