TAX COMPLIANCE ENGAGEMENT LETTER

Date: _____
Client name: _____
Client Contact details
Email: _____
Phone Number: _____

*Dear:*_____

ENGAGEMENT LETTER: INDIVIDUAL [INCLUDING SOLE PROPRIETOR] TAX COMPLIANCE OF _____

1 INTRODUCTION
This letter serves to confirm our understanding of the terms and objectives of our engagement and the nature and scope of the services that we will provide as your tax advisor.

2 PERIOD OF ENGAGEMENT
This engagement will commence with your tax return for the year 2024 (1 March 2023 – 29 February 2024) We will deal with matters arising in respect of years prior to the above year, as appropriate.

3 SCOPE OF SERVICES
- We will prepare your personal tax return together with such supporting schedules as deemed appropriate.
- We will submit all relevant documents to the South African Revenue Service ("SARS"). Authorisation is required from you in writing, to file the return electronically.
- We will advise as to the amount of tax to be paid over and the deadline dates for these submissions.
- We will deal with SARS regarding any amendments required on your return and prepare any amended returns which may be required.
- We will advise as to possible claims and elections arising from the tax return and from information supplied by you. Where instructed by you, we will make such claims and elections in the form and manner required by SARS.
- We will deal with all communications relating to your return which may need to be addressed to us by SARS or yourself. However, if SARS choose your return for enquiry, this work may need to be the subject of a separate assignment, in which case, we will require further instruction from yourself.

4 YOUR RESPONSIBILITIES: INFORMATION AND DOCUMENTS
You are legally responsible for submitting correct returns by the due date and making timeous payment of tax due. Failure to meet these deadlines may result in automatic penalties and/or interest. To enable us to carry out our work you agree:
- that all returns are to be made on the basis of full disclosure of all sources of income, expenses, allowances and capital transactions.
- to provide full information necessary for dealing with your affairs: we will rely on the information and documents being true, correct and complete and will not audit the information or those documents.
- that we can approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.
- to provide us with information in sufficient time for your tax return to be completed and submitted by the SARS set deadline. In order to meet this

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deadline date, you agree to provide us with all relevant information by no later than 2 weeks prior to the SARS deadline.

- to forward to us on receipt, copies of all SARS statements of account, notices of assessment, letters and other communications received from SARS to enable us to deal with them as deemed necessary within the statutory time limits; and
- to keep us informed about significant changes in your circumstances if this is likely to affect your tax position.
- to provide us with third-party shared access to your e-filing profile.

5 OTHER SERVICES AND GENERAL TAX ADVICE

We will be pleased to assist you generally in tax matters if so required. To enable us to do this you will need to instruct us in good time. Due to tax rules frequently changing, you must ask us to review any advice already given if a transaction is delayed, or if an apparently similar transaction is to be undertaken. It is our policy to confirm in writing advice upon which you may wish to rely. If further services and advice are required, a separate engagement letter will be issued.

6 EXCLUDED SERVICES

This letter relates only to the items specified above and does not extend to other taxes such as Pay As You Earn, Value Added Tax, etc. We will be pleased to advise on any of these tax matters if so requested.

7 TERMS AND CONDITIONS OF ENGAGEMENT

Our services are subject to the terms and conditions of engagement attached hereto as Annexure A, which is an integral part of this agreement. We would appreciate confirmation of your agreement to this letter of engagement, by signing and returning the enclosed copy. If this letter is not in accordance with your understanding of the scope of our engagement, please advise.

We appreciate the opportunity of being of service to you.

Yours sincerely



CHANTAL LE ROUX
Business Accountant in Practice (SA)
General Tax Practitioner (SA)
Licensed Immigration Accountant (CIBA)
Licensed Independent Reviewer (CIBA)

ciba CHARTERED INSTITUTE FOR BUSINESS ACCOUNTANTS NPC

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I acknowledge receipt of the above letter of engagement dated _____, which fully records the agreement between both parties relating to your appointment to carry out the work described therein.

Signed: _____

Name: _____

Date: _____

ANNEXURE A
TERMS AND CONDITIONS OF ENGAGEMENT

1 CLIENT MONIES
We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds.

2 RETENTION OF RECORDS
During the course of our work we will collect information from you and others acting on your behalf and will return any original documents to you following preparation of your return. You should retain them for a period of five years from the end of the tax year. This period may be extended if SARS make any further enquiries into your tax return.

Whilst certain documents may legally belong to you, we intend to destroy correspondence and other paperwork which has been stored for longer than 5 years, other than documents which we consider to be of continuing significance. We need to be advised of any retention of documents you may require.

3 REGULATORY REQUIREMENTS
We reserve the right to disclose our files to regulatory bodies in the exercise of their powers.

4 QUALITY OF SERVICE
We aim to provide a high standard of service at all times. If you would like to discuss with us on any improvements or dissatisfaction of our services, please advise. We undertake to address any complaint on your behalf and promptly advise you accordingly.

5 FEES
Our charges are computed on the basis of fees for the time spent on your affairs (which depends on the levels of skill and responsibility involved) and disbursements incurred in connection with the engagement as well as a fixed amount for standard services. If work is required which is outside the scope of this letter, for example dealing with SARS enquiries into the tax return, then this will be a separate engagement for which additional fees will be chargeable. We will issue an invoice once the services required have been established. We will add Value Added Tax, if applicable, at the current rate.

Our invoices are payable on presentation. We reserve the right to charge interest at 10% per month in the case of overdue accounts. We may terminate our engagement and cease acting if payment of any fees billed are unduly delayed. However, it is not our intention to use these arrangements in a way which is unfair or unreasonable.

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6 LIMITATION OF LIABILITY

The advice which we give to you is for your sole use only and does not constitute advice to any third parties. Our maximum liability for all claims arising out of the services provided in connection with any assignment shall be limited to an amount equal to the total fees charged for all services provided in connection with that assignment. This maximum liability shall be an aggregate liability for all claims from whatever source and howsoever arising whether in contract, delict or otherwise.

We will not be held liable to you or any cessionary or third party claiming through or on your behalf for any punitive damages whatsoever or for any consequential or other loss or damages beyond the maximum liability specified.

We will provide the professional services outlined in this letter with reasonable care and skill. Our advice will be based on interpretation of the law and experience with SARS. Therefore, the conclusions reached, and views expressed will often be matters of opinion rather than of certainty and we cannot warrant that SARS will necessarily reach the same conclusions. We will not be responsible for any losses, penalties, interest or additional tax liabilities arising from the supply by you or others of incorrect or incomplete information, or from the failure by you or others to supply any appropriate information or your failure to act on our advice or respond promptly to communications from us or SARS.
Communication via email is admissible, however, as with other means of delivery this carries with it the risk of inadvertent misdirection or non-delivery. It is the responsibility of the recipient to carry out a check on any attachments received. No verbal instructions are acceptable.

7 ELECTRONIC COMMUNICATION

As internet communications are capable of data corruption, we do not accept any responsibility for changes made to such communications after their despatch. For this reason, it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation thereof. All risks connected with sending commercially sensitive information relating to your business are borne by you and is not our responsibility. If you do not accept this risk, you should notify us in writing that e-mail communication is unacceptable.

8 APPLICABLE LAW

This engagement letter is governed by South African law and any claims will be subject to the exclusive jurisdiction of the Courts of South Africa.

Any claims, howsoever arising, need to be commenced formally by service of a court summons or process initiating arbitration proceedings within two years after the claimant becomes aware (or ought reasonably to have become aware) of the facts which give rise to the claim and, in any event regardless of the knowledge of the claimant, by no later than three years after the date of any alleged breach giving rise to a cause of action. This expressly overrides any statutory provision which would otherwise apply.

9 AGREEMENT OF TERMS

This letter supersedes any previous engagement letter for the period covered. Once agreed, this letter will remain effective from the date of signature until it is replaced. You or ourselves may vary or terminate our authority to act on your behalf at any time without penalty. Notice of variation or termination must be given in writing.

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CONFIRMATION OF PERSONAL INFORMATION

	Personal Records
Name:	
Contact Details	
Postal Address:	
Physical Address:	
Telephone:	
Work Number:	
Cell:	
Email address:	
Tax information	
ID Number:	
Tax Number:	
Marital Status:	Not Married
Spouse details:	
Name and Surname:	
ID Number:	
Tax Number:	
Banking Details	
Bank:	
Account Number:	
Branch Code:	

NAME IN BLOCK LETTERS : _____

(TAXPAYER)

SIGNATURE : _____

DATE : _____

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