

CERTIFIED AS A TRUE COPY

15 Mar 2023

CHIEF DIRECTORATE NON-PROFIT ORGANISATIONS
DEPT OF SOCIAL DEVELOPMENT

CONSTITUTION OF SOUTH AFRICAN TAX PRACTITIONERS UNION

Contents

1. ESTABLISHMENT AND NAME	2
2. COMMUNITY GOVERNMENT	2
3. PURPOSE AND OBJECTIVES	2
4. MEMBERSHIP AND ADMISSION OF MEMBERS	2
5. ADMISSION OF MEMBERS	3
6. PRIVILEGES AND OBLIGATIONS OF SATPU MEMBERSHIP	3
7. GENERAL MEETINGS	3
8. CHAIRPERSON	4
9. THE EXECUTIVE COMMITTEE	4
10. POWERS OF THE EXECUTIVE COMMITTEE	5
11. FINANCIAL MANAGEMENT	5
12. FINANCIAL TRANSACTIONS	6
13. IMMOVABLE PROPERTY	6
14. SALE OF PROPERTY	6
15. COMPLIANCE WITH SECTION 30 OF THE INCOME TAX ACT OF SOUTH AFRICA	7
16. INDEMNITY	7
17. DISSOLUTION	8
18. MODIFICATION OF THE CONSTITUTION	8
19. RESOLUTION OF DIFFERENCES	9
20. CONFIRMATION/ACCEPTANCE OF THE CONSTITUTION	9

15 Mar 2023

1. **ESTABLISHMENT AND NAME**

1.1. The name of the voluntary association established under this constitution shall be the South African Tax Practitioners Union abbreviated as SATPU (hereinafter referred to as "The Tax Union or "SATPU").

2. **COMMUNITY GOVERNMENT**

- 2.1 SATPU shall be an association of Independent Tax Practitioners (TP, TPs).
- 2.2 SATPU shall carry out its objectives in a non-profit manner for the benefit of its members.
- 2.3 SATPU shall exist as a legal entity in its own right, separate from its members.
- 2.4 SATPU shall continue to exist even when its membership changes and there are different office-bearers.

3. **PURPOSE AND OBJECTIVES**

SATPU shall have the following objectives:

- 3.1 The purpose of SATPU shall be to advance the interest of independent tax practitioners;
- 3.2 SATPU shall provide a home for tax practitioners;
- 3.3 SATPU shall represent members' interest with SARS, government, and other stakeholders.

4. **MEMBERSHIP AND ADMISSION OF MEMBERS**

- 4.1 The membership shall consist of:
 - 4.1.1 Those whose names are in SATPU register of members at the time of the adoption of this Constitution;
 - 4.1.2 Those who have accepted this Constitution and have been admitted to membership in terms of Article 5;
 - 4.1.3 Those who freely and voluntarily apply for membership do so on the understanding that acceptance of this constitution constitutes an inherent requirement for such membership.
- 4.2 Although only members shall be able to participate in the governance of SATPU as a registered legal entity, SATPU shall be inclusive, open and available to all irrespective of membership.
- 4.3 Those individuals who choose to be part of SATPU but not become members shall be encouraged to also participate in all SATPU matters and activities, including General Meetings, but they shall not be entitled to vote.
- 4.4 Those individuals who are members of other formations are welcome to retain such memberships if they choose to also become members of SATPU.

5. **ADMISSION OF MEMBERS**

- 5.1 The requirements of membership are:
 - 5.1.1 Founding members; and
 - 5.1.2 SARS registered tax practitioners in good standing with any SARS Recognised Controlling Body.

6. **PRIVILEGES AND OBLIGATIONS OF SATPU MEMBERSHIP**

- 6.1 Members shall be involved in SATPU's life, governance and leadership.
- 6.2 Members shall support and contribute to the maintenance, sustainability and wellbeing of SATPU and participate in the planning and organising of its programs and activities.
- 6.3 Members shall promote SATPU and contribute towards its growth.

7. **GENERAL MEETINGS**

7.1 **Annual general meeting**

- 7.1.1 SATPU business year shall end on 31 August and the Annual General Meeting shall be held as soon thereafter as possible, but not later than 30 November;
- 7.1.2 Reports and audited financial statements shall be submitted by the Executive Committee;
- 7.1.3 The annual elections of the Executive Committee shall take place at the Annual General Meeting;
- 7.1.4 The agenda shall be made available to members prior to the meeting.

7.2 **Ordinary General Meeting**

- 7.2.1 An additional ordinary General Meeting shall be held no later than six months after the Annual General Meeting.

7.3 **Special General Meeting**

- 7.3.1 Special General Meetings shall be convened:
 - 7.3.1.1 On the initiative of the Executive Committee;
 - 7.3.1.2 On a written request to the Executive Committee by at least 10 members with a statement of the reason and purpose of such a meeting (to be held within six weeks of receiving such a request).

7.4 **Quorum**

- 7.4.1 30% of the total membership shall constitute a quorum.
- 7.4.2 If a General Meeting fails to procure a quorum it shall be reconvened within two weeks and the members then present shall constitute a quorum even if the members present are less than 30%.

15 Mar 2023

7.5 Notice of meetings

- 7.5.1 Notice of all General Meetings shall be given by electronic mail at least two weeks prior to the meeting.
- 7.5.2 The non-receipt of the notice shall not invalidate the meeting.

7.6 Voting

- 7.6.1 Members aged 18 years and older shall be entitled to vote;
- 7.6.2 Only members in attendance and in good standing at the meeting shall be entitled to vote;
- 7.6.3 Decisions will be based on the majority vote of those present;
- 7.6.4 There shall be no postal or proxy voting.

7.7 Minutes

- 7.7.1 The Secretary shall record the minutes of all meetings, keep them safely and always have them on hand for members to consult.

8. CHAIRPERSON

- 8.1 The Chairperson shall be one of the Executive Committee members and shall be elected by the Executive Committee.
- 8.2 In the absence of the elected Chairperson for a specific meeting an Acting Chairperson for the specific meeting shall be elected by the Executive Committee members at the meeting.

9. THE EXECUTIVE COMMITTEE

- 9.1 The Executive Committee will consist of at least the three (3) founding members.
- 9.2 The members at an Annual General Meeting shall have power to appoint up to an additional two (2) members and three (3) independent members who they deem needed to strengthen the work of the committee.
- 9.3 As the founders of SATPU, being Mr Thelonious Vernell Burrows, Mr Ertinius Sebastiaan Klue, Mrs Elsabie Williamson shall will remain ex officio members of the Executive Committee and not subject to rotation.
- 9.4 The Executive Committee shall be responsible for the running of SATPU matters within the direction provided by members at the General Meetings.
- 9.5 The Executive Committee shall meet at least every quarter or more regularly if required.
- 9.6 A quorum shall be at least 51% of Executive Committee members.

"  "  

15 Mar 2023

- 9.7 At the first meeting after their election the Executive Committee shall appoint a Chairperson, Secretary and Treasurer from their membership to be confirmed at the next General Meeting.
- 9.8 Minutes will be taken at every meeting to record the Executive Committee's decisions. The minutes shall be confirmed as a true record of proceedings at the next meeting of the Executive Committee, and shall thereafter be signed by the Chairperson.
- 9.9 The Executive Committee has the right to form Sub-Committees also including co-opted members who are not members of the Executive Committee. Sub-Committees will not have decision-making power but will assist in the execution of Executive Committee decisions or make recommendations to the Executive Committee for decisions to be made.
- 9.10 Members have to abide by decisions taken by the Executive Committee.

10. POWERS OF THE EXECUTIVE COMMITTEE

- 10.1 The Executive Committee may take on the power and authority that it believes it needs to be able to achieve the purpose and objectives of SATPU stated in Clauses 3 and 17.1.

11. FINANCIAL MANAGEMENT

- 11.1 SATPU shall be supported through voluntary contributions.
- 11.2 The voluntary contribution options shall be decided upon by the Executive Committee. No donation will be accepted which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation.
- 11.3 Proper books of account shall be maintained by the Treasurer. SATPU's financial transactions shall be conducted by means of a banking account in the name of SATPU.
- 11.4 Financial transactions shall be conducted by means of a banking account in the name of SATPU.
- 11.5 At the recommendation of the Executive Committee, the members shall appoint annually a competent person or persons who shall examine SATPU securities, perform an independent review of the accounts and financial records of SATPU and furnish a report thereon to the members in writing.
- 11.6 The financial report and statements shall be submitted not less than 14 days prior to the Annual General Meeting (see 8.1.2). Such report and statements shall refer to the existence of the securities, the adequacy of the records maintained and shall express an opinion on the accuracy of the accounts presented.
- 11.7 SATPU's income and property may not be distributed to its members or office-bearers, except as reasonable compensation for services rendered. No remuneration will be paid to any employee, office bearer, member or other person which is excessive, having regard



15 Mar 2023

to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects.

- 11.8 Members or office-bearers shall have no rights in the property or other assets of SATPU solely by virtue of their being members or office-bearers.
- 11.9 SATPU's accounting records and reports must be ready and handed to the Director of Non-profit Organisations in as far as is possible, within six months of the financial year end. SATPU will submit the required returns by the South African Revenue Service together with the relevant supporting documents.

12. FINANCIAL TRANSACTIONS

- 12.1 SATPU shall have power to buy, sell, donate, let or hire, exchange, transfer, receive by way of donation or otherwise, movable and immovable property and to invest its funds in Government or Municipal stock, mortgage bonds, or on fixed deposit or otherwise, in Banks, Post Offices, or approved organisations and shall further have power to borrow money with or without security in such manner as SATPU sees fit, negotiate loans from Bankers or others by overdraft or otherwise and by passing mortgage and notarial bonds for registration with the proper authorities, and to open and operate banking accounts, and to make, draw, accept, discount, execute and issue promissory notes, bills of exchange and other negotiable and transferable instruments to guarantee the performance of contracts by any person or duly constituted entity having objectives wholly or partly similar to the objectives of this SATPU.

13. IMMOVABLE PROPERTY

- 13.1 All immovable property acquired by SATPU in any manner shall be registered in the name of SATPU.
- 13.2 The Board for the time being of the Tax Union shall, for the time being, be the Trustees of the Tax Union. They shall act as required by a resolution of a General Meeting of SATPU.
- 13.3 All acquisitions of immovable property in any manner shall require the approval of a General Meeting, due notice having been given of the proposed transaction.
- 13.4 Any proposal to sell, donate, exchange, mortgage, hypothecate, or otherwise alienate or encumber any immovable property shall have the prior approval of a Special General Meeting by a two thirds majority vote of the members present.

14. SALE OF PROPERTY

- 14.1 The proceeds derived from the sale or other disposal of any property of SATPU shall be used in such manner as SATPU may deem best fit to secure the furtherance of its public benefit objectives.



15 Mar 2023

15. COMPLIANCE WITH SECTION 30 OF THE INCOME TAX ACT OF SOUTH AFRICA

- 15.1 The sole or principal object of SATPU as a Public Benefit Organisation is to carry on one or more public benefit activities as defined in Section 30(1) of the Income Tax Act (the Act), in a non-profit manner and with an altruistic or philanthropic intent.
- 15.2 No activity will directly or indirectly promote the economic self-interest of any fiduciary or employee of the organisation, otherwise than by way of reasonable remuneration.
- 15.3 The funds of SATPU will be used solely for the objects for which it was established.
- 15.4 At least three persons who accept fiduciary responsibility for SATPU as a Public Benefit Organisation, will not be connected persons in relation to each other, and no single person will directly or indirectly control the decision making powers relating to SATPU.
- 15.5 No funds will be distributed to any person (other than in the course of undertaking any public benefit activity).
- 15.6 On dissolution of SATPU, the remaining assets will be transferred to:
- 15.6.1 Any Public Benefit Organisation, which has been approved in terms of section 30 of the Act;
- 15.6.2 Any institution, board or body which is exempt from the payment of income tax in terms of section 10 (1) (cA) (i) of the Act, which has as its sole or principal object the carrying on of any public benefit activity;
- 15.6.3 Any department of state or administration in the national or provincial or local sphere of government of the Republic, contemplated in section 10 (1) (a) or (b) of the Act.
- 15.7 No donation will be accepted which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A: Provided that a donor (other than a donor which is an approved Public Benefit Organisation or an institution, board or body which is exempt from tax in terms of section 10 (1) (cA) (i), which has as its sole or principal object the carrying on of any public benefit activity) may not impose any conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.
- 15.8 A copy of all amendments to this constitution will be submitted to the Commissioner.
- 15.9 SATPU will not be a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner.
- 15.10 No remuneration will be paid to any employee, office bearer, member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects.
- 15.11 No resources will be used to directly or indirectly support, advance or oppose any political party.

16. INDEMNITY

- 16.1 The Trustees and all Officers of SATPU shall be fully indemnified against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur in the execution of their duties, except such as they shall incur by their own wrongful action done intentionally or with gross negligence.

Handwritten signature and initials, possibly 'MIS', located at the bottom right of the page.

15 Mar 2023

17. DISSOLUTION

- 17.1 The dissolution of SATPU may be effected by at least a two-thirds majority vote of members present at a Special General Meeting.
- 17.2 In the event of 19.1, such a meeting shall thereupon authorise the Executive Committee to take the necessary steps to wind up the affairs of SATPU, and in particular to transfer the immovable property in due and proper form to an organisation nominated by a majority vote of the members.
- 17.3 In the event of SATPU at any time ceasing to exist, all acquired property or rights to property at such time shall be vested in and become the property of an entity to be determined at the time which shall hold, administer or deal with it in such manner as the Executive Committee may deem best fitted to secure the purpose and objects in Clauses 3 and 17.1.
- 17.4 SATPU shall be deemed to have ceased to exist:
- 17.4.1 When dissolution shall have been resolved in accordance with 19.1;
 - 17.4.2 When public services shall have been discontinued for a consecutive period of six calendar months;
 - 17.4.3 When the number of members whose names and full addresses are known, has dropped to below 10.

18. MODIFICATION OF THE CONSTITUTION

- 18.1 Any proposal to change this Constitution may be submitted by way of a Notice of Motion to any General Meeting.
- 18.2 Such a Notice of Motion shall be circulated to all members for consideration at a Special General Meeting convened not less than three months after the General Meeting referred to in 20.1.
- 18.3 Proposed changes shall require the approval of two thirds of the members present at the meeting with the reservation that the number so present shall be not less than ten, regardless of the number of members on the membership roll.
- 18.4 Notwithstanding anything to the contrary hereinbefore contained, no modification of this Constitution may be made which has the effect directly or indirectly of modifying the principles outlined in Clause 2.1, 2.2, 2.3 and 2.4 (the nature of SATPU) and Clause 8.1 (final authority resting with membership).
- 18.5 It shall be understood that Clauses 2.1, 2.2, 2.3, 2.4, 8.1, and 9.3 are entrenched, and may not be revoked, amended or amplified.



15 Mar 2023

19. RESOLUTION OF DIFFERENCES

- 19.1 In the unlikely event of serious conflict or disagreement arising between a group or groups of members and the remaining membership; between the Chairman and a group or groups of members; between the Chairmain and the Executive Committee; or between the Executive Committee and a group or groups of members which is impacting on the effectiveness of SATPU or is seriously threatening its unity, the Chairman, any 2 or more members of the Executive committee or any 10 or more members may submit the matter to the Executive Committee for resolution.
- 19.2 The Executive Committee will meet within two weeks with a view to resolving the differences.
- 19.3 If the Executive Committee fails to resolve the issue they will call for a Special General Meeting for the matter to be considered and a decision reached by the members.

20. CONFIRMATION/ACCEPTANCE OF THE CONSTITUTION

The revised Constitution as printed above was approved by the founders at their meeting on 11 March 2023 and will be adopted by members at the first General Meeting of members.


.....
Ertinius Sebastiaan Klue
Co-founder and Executive Committee Member


.....
Thelonious Vernell Burrows
Co-founder and Executive Committee Member


.....
Elsabe Williamson
Co-founder and Executive Committee Member