MULLER ACCOUNTANTS
Accounting | Taxation | Advisory
041 991 0004 071 853 2844 admin@mullacc.co.za 1st Floor, 74 - 76 Caledon Street, Uitenhage, 6229

Our ref.: Mr H Muller

Your ref.:

10 Ocobter 2022

**DEAR Blackhound Enterprises**

# MANDATE FOR TAXATION SERVICES – POPIA AND SECTION 234 TAX ADMINISTRATION ACT – RAV UPDATE

We are pleased to confirm the arrangement for **MULLER ACCOUNTANTS (Herein after referred to as "OUR FIRM"/"MY FIRM")** to provide your taxation services. ***Please sign and date this mandate on the last page*** where indicated and return to us. This mandate letter covers a period from the date of signature and has to be signed by you or in the case of a company a representative of the company in terms of the SARS e-Filing terms and conditions. ***If we do not have a signed copy of this mandate in our possession, we will not be able to file any of your tax returns.***

## INTRODUCTION

You have requested us to assist you in the preparation and submission to the South African Revenue Services (SARS) of your income tax returns, to submit the returns according to the time specifications that SARS have stipulated and that we have arranged with you. We will also review related tax assessments for correctness and assist you with responses to queries from SARS and to deal with errors in assessments identified by our review and to a lodge the appropriate objections where considered necessary.

The work to be performed will be based on our interpretation of the tax law and SARS practices and policies at the relevant time. These tax laws are subject to change occasioned by future legislative amendments, court decisions as well as changes in SARS policies. You are advised to keep abreast of such developments and are welcome to engage our services for this purpose. We confirm that it is your responsibility to provide us with complete, reliable and accurate information in respect of your tax affairs timeously in order for us to provide the required services. In the event that you miss an agreed deadline we cannot be held responsible for any penalties and interest levied by SARS.

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## POPIA

The Personal Protection of Information Act came into effect on the 1st July 2021 which deals with the collecting and processing of private information. In order to provide you with tax services we require your permission to provide us with the necessary information that may fall within the definition of personal information as well as the taxation acts.

We would also like to place on record that our firm has complied internally with all the provisions of the POPI act that relates to us, in regard to the processing, security and backup of your data safely. Our information officer has signed off on all the requirements.

If you require our services to help you implement the provisions of POPIA please advise us.

Please note that in the event that we are asked to resign from doing your work for any reason whatsoever it will be necessary for us to retain your records including your private information so that we can deal with any queries that arise from your tax affairs until we are sure that all tax returns filed by us are finalized by SARS. The signing of this mandate letter indicates that we have your permission to do that.

## EFILING TERMS AND CONDITIONS

It should be noted that all tax returns are filed on an electronic basis using either the SARS e-Filing system or our back-office internal tax system which are subject to the e-filing terms and conditions and relevant laws and regulations. In this regard we require your mandate for **OUR FIRM** to register as an e-Filer on your behalf. Once this is done the following terms and conditions in regard to e- Filing shall apply.

- ***MY FIRM*** *the e Filer acts as a duly authorised agent on your behalf.*
- *You will be liable to SARS for the due and timeous fulfilment of all your obligations towards SARS.*
- *Any information submitted by* ***MY FIRM*** *to SARS by means of the e Filing service will be based on information received from you and you are responsible for ensuring that such information is true and correct.*
- *Before we submit any information to SARS by means of the E-filing service we will need your confirmation that the information being submitted is a true and correct reflection of what you have provided.*
- ***MY FIRM*** *will not be responsible for any tax liability imposed by SARS for any reason whatsoever.*
- ***MY FIRM*** *has disclosed the minimum conditions for the mandate to you;*
- *Where SARS changes the conditions of E-filing on their website, the effect of such changes will take three months. We will disclose any change and minimum conditions within the three-month period to you.*
- *You the taxpayer confirm that all liabilities, obligations and penalties due to SARS remain with you.*

## SECTION 234 OF THE TAX ADMINISTRATION ACT

We would like to point out S234 of the Tax Administration Act. This section has been changed to make a negligent or simple error by the taxpayer a criminal act. In this case SARS does not have to prove criminal intent in regard to any of the items listed in S234.

We are bringing this new legislation to your attention to ensure that you comply with all the laid down rules listed in S234 so that you don't inadvertently fall into this trap. Where necessary we will provide you with all the information that you need in this regard.

The start off point for the law as above, would be as follow, "S 234 of the Tax Administration Act. Non-compliance in regard to negligent procedures could be a criminal offence for the taxpayer. E.g., failure to advise SARS of a change in address or a clerical error on a return could result in a criminal record. Even where there is no wilful intent (which is required to prove a criminal act) a taxpayer could land up with a criminal record as now SARS does not have to prove wilful intent, the negligent act allows prosecution. Clearly the constitutionality of this has to be tested.

In the light of the above the SARS e-filing system with your particulars must be updated on the RAV (Registration Amendment Verification) form with regard to your contact details, public officer/representative and address of business."

## OUR FEE

Our fees which may be billed as the work progresses are based on the degree of responsibility and skill involved and in the time necessary to conduct the work plus reimbursement of our expenses and VAT.

In the event that there is a damage claim against us the damages computed cannot be more than twice the annual fee we charge for tax services.

Without prejudice to any other rights that we may have in law we reserve the right to suspend or terminate the performance of our service or any part thereof to you immediately, at any time, without notice, should payment of any of our fees be overdue or in the event that you do not comply with our requests.

## DISCLAIMER AND LIMITATION OF LIABILITY

To the extent permitted by law, **MY FIRM** (including our employees, suppliers, internet service providers, partners, affiliates and agents) shall not be liable for any damage, loss or liability of any nature incurred by any person and resulting from-

1. access to the SARS e-Filing website;
2. access to websites linked to our service providers websites;

3. inability to access the SARS e-Filing website;
4. services available from the SARS e-Filing website
5. service available from our service providers effecting the e-Filing website;
6. errors by SARS and errors on the SARS e-filing website;
7. notices not received or indicated in our systems;

Owing to the fact that SARS makes no representations, warranties or guarantees that the SARS e-Filing website shall be accessible at all times. We acknowledge that the SARS e-Filing website may be inaccessible due to maintenance activities or due to circumstances beyond the reasonable control of SARS, including, but not limited to virus infection, unauthorised access (hacking), power failure or other instances of force majeure beyond SARS' reasonable control and in this case, we can't be held liable if we cannot process your returns or payments due to any one of these occurrences.

## ACKNOWLEDGEMENT FROM TAXPAYER

I, _**Hannes Gouws**________________, as representative of _**BLACKHOUND ENTERPRISES PTY LTD**_, hereby acknowledge the above contents and accept the above terms of the engagement, signed on_**10/10/202**_ at _**19 Cactus Road, Fairview, Port Elizabeth**__.

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ON BEHALF OF TAXPAYER

I trust that you will find the above in order.
Yours faithfully
**MULLER BUSINESS ACCOUNTANTS**

**Per:** **MR Hendrikus Muller**
**SOUTHERN AFRICAN INSTITUTE FOR BUSINESS ACCOUNTANTS (SAIBA)**
**SAIBA MEMBER NUMBER – SAIBR 1955 – PR0034248**