

## **APPOINTMENT OF A TAX PRACTITIONER TO ASSIST WITH THE RESOLUTION OF A SARS TAX DISPUTE**

### **1. INTRODUCTION**

- 1.1** The Eastern Cape Gambling Board (**“the ECGB”**) is a Schedule 3C public entity in terms of the Public Finance Management Act (**“PFMA”**). The ECGB was established in terms of the Eastern Cape Gambling Act, 1997 (as amended) (**“the Act”**) whose mandate *inter alia* to regulate and control all gambling activities in the Eastern Cape (**“the Province”**), South Africa.
- 1.2** ECGB is an agency of the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism.

### **2. PURPOSE OF APPOINTMENT**

The purpose of this appointment is to obtain expert assistance to assess the merits of the dispute, engage with SARS on behalf of the ECGB, and facilitate the resolution of the matter in a manner that protects the organisation's interests and ensures compliance with applicable tax legislation.

The ECGB seeks to appoint a Tax Practitioner on a once-off basis to:

- Review the tax matter in dispute.
- Advise management on the merits and risks associated with the dispute.
- Develop an appropriate dispute resolution strategy.
- Prepare and submit required documentation to SARS.
- Represent the ECGB in engagements with SARS.
- Assist in resolving the matter through objection, appeal, alternative dispute resolution (ADR), or any other appropriate mechanism.

### **3. SCOPE OF WORK**

The successful service provider will be required to undertake the following:

#### **3.1 Diagnostic Review**

- Review all relevant tax assessments, correspondence, and supporting documentation.
- Conduct an assessment of the facts, applicable legislation, case law, and SARS interpretations relevant to the dispute.
- Identify the strengths, weaknesses, risks, and potential financial implications associated with the matter.

#### **3.2 Professional Opinion**

- Prepare a written tax opinion outlining:
  - o The facts of the matter.
  - o Applicable tax legislation and legal precedents.
  - o The likelihood of success.
  - o Recommended course of action.
  - o Potential financial and reputational risks.

#### **3.3 SARS Engagement and Representation**

- Liaise directly with SARS on behalf of the ECGB where authorised.

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- Prepare and submit objections, appeals, requests for reasons, or other dispute-related submissions.
- Draft responses to SARS queries and requests for additional information.
- Represent the ECGB during meetings, hearings, or alternative dispute resolution processes.

### **3.4 Resolution Support**

- Manage the dispute process until a final outcome is reached or until all agreed deliverables have been completed.
- Provide recommendations arising from the outcome of the dispute.
- Advise on corrective actions required to mitigate future tax risks.

## **4. DELIVERABLES**

The appointed Tax Practitioner will be required to provide:

- An inception report detailing the understanding of the dispute and proposed approach.
- A comprehensive written tax opinion.
- All dispute-related submissions prepared for SARS.
- Written progress updates after significant engagements with SARS.
- A final close-out report containing:
  - o Summary of actions taken.
  - o Outcome achieved.
  - o Lessons learned.
  - o Recommendations to prevent similar disputes in future.

## **5. DURATION OF THE ASSIGNMENT**

This is a **once-off appointment** linked to a specific SARS dispute matter.

The assignment is expected to commence upon appointment and continue until the agreed deliverables have been completed and accepted by the ECGB.

## **6. MINIMUM REQUIREMENTS**

Interested bidders must meet the following requirements:

### **Mandatory Requirements**

- Registration as a Tax Practitioner with SARS.
- Membership in good standing with a recognised controlling body.
- Valid Tax Compliance Status (TCS) Pin.
- Proof of registration on the Central Supplier Database (CSD).
- Professional Indemnity Insurance.
- Returnable Standard Bidding Documents

Non-submission of the above mandatory documents will result in disqualification.

## **7. REPORTING ARRANGEMENTS**

The appointed Tax Practitioner will report directly to the Chief Financial Officer or a delegated official.

The service provider will be required to:

- Maintain strict confidentiality.
- Declare any actual or potential conflicts of interest.
- Comply with all applicable legislation and professional standards.
- Attend meetings as required by the ECGB.

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## 8. PROPOSAL SUBMISSION REQUIREMENTS

Bidders must submit the following:

- Company profile.
- Detailed methodology and work plan.
- Curriculum Vitae of the proposed lead Tax Practitioner.
- Proof of Tax Practitioner registration.
- Proof of membership with a recognised controlling body.
- Three contactable references for similar dispute-resolution assignments.
- Pricing proposal for the once-off assignment.
- Professional Indemnity Insurance certificate.
- CSD registration report and valid TCS status.

## 9. EVALUATION CRITERIA

### STAGE 1: Compliance Assessment

Bidders must submit all mandatory documentation indicated under section 6.

### STAGE 2: Functionality Evaluation

| SECTION | Criteria                                                                                                                                                                                                                    | Points     |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| A.      | <b>Relevant SARS dispute resolution experience</b><br><b>Minimum five (5) years' experience in tax advisory and dispute resolution.</b><br><i>(CV of relevant tax practitioner to be submitted as proof to earn points)</i> | <b>40</b>  |
| B.      | <b>Demonstrated experience with tax matters of similar entities</b><br><br>Experience with at least two state owned enterprises <i>(Reference letters from previous projects)</i>                                           | <b>30</b>  |
| C       | <b>Proposed methodology and approach</b>                                                                                                                                                                                    | <b>30</b>  |
|         | <b>Total</b>                                                                                                                                                                                                                | <b>100</b> |

A minimum score of **70%** for functionality will be required to proceed to the next stage.

### STAGE 3: Preferential points system

**PREFERENTIAL PROCUREMENT REGULATIONS OF 2022 WILL APPLY: Preferential Procurement Regulations of 2022**

- Price and points for specific goals will be calculated as described in the Preferential Procurement Regulation 2022.
- **NB: Tenderers are to submit proof of the specific goals claimed**
- Submit full details of the pricing proposal as per **Annexure A**.

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Table 2: Points available per criteria in Stage 3 are as follows:

|                                                  |            |
|--------------------------------------------------|------------|
| <b>PRICE</b>                                     | <b>80</b>  |
| <b>SPECIFIC GOALS</b>                            | <b>20</b>  |
| 50% or >50% Black Ownership                      | 5          |
| 50% or >50% Black female ownership               | 5          |
| MSME (i.e. EME or QSE)                           | 5          |
| Eastern Cape based bidder                        | 5          |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

#### 10. CONFIDENTIALITY

The successful bidder shall treat all information and documentation received from the ECGB as confidential and shall not disclose such information to any third party without prior written consent.

#### PREPARED BY

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**CHIEFFINANCIAL OFFICER**



#### ANNEXURE A PRICING SCHEDULE

| ESTIMATED HOURS | RATE PER HOUR | AMOUNT |
|-----------------|---------------|--------|
| 40              |               |        |
|                 |               |        |
| <b>TOTAL</b>    |               |        |

Kindly note this pricing is for bid evaluation purposes only it is not final bid price. However, the rate will form part of the agreement should the bidder be awarded.

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