

PROVINSIALE TESOURIE • PROVINCIAL TREASURY •
UNONDYEBO WEPHONDO



Verwysing
Reference
Isalathiso

PT 14/10

Navrae
Enquiries
Imibuzo

R. Alberts

TREASURY CIRCULAR: NO. 26/2007

For filing

THE PREMIER

THE MINISTER OF AGRICULTURE
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS, SPORT AND RECREATION
THE MINISTER OF EDUCATION
THE MINISTER OF ENVIRONMENT, PLANNING AND ECONOMIC DEVELOPMENT
THE MINISTER OF FINANCE AND TOURISM
THE MINISTER OF HEALTH
THE MINISTER OF LOCAL GOVERNMENT AND HOUSING
THE MINISTER OF SOCIAL SERVICES AND POVERTY ALLEVIATION
THE MINISTER OF TRANSPORT AND PUBLIC WORKS

For information

THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

ALL OTHER MEMBERS OF PARLIAMENT

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (MR P MBAMBO) (ACTING)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR RB SWARTZ)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA) (ACTING)
THE ACCOUNTING OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MS S MAJIET)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T TOLMAY)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR T MANYATHI)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (DR H FAST) (ACTING)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR MN LINDIE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR H ARENDSE)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS A SMIT)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M MACIKAMA) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MR PAE BREDEKAMP)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR A ASSIM)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)
THE HEAD: SUSTAINABLE RESOURCE MANAGEMENT (MS SMA ROBINSON)
THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)
THE HEAD: FINANCIAL GOVERNANCE (MR TC ARENDSE)
THE HEAD: PUBLIC FINANCE (MR H MALILA)
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)
THE SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT (MS C MILES) (ACTING)
THE SENIOR MANAGER: ACCOUNTING (MR A REDDY)
THE SENIOR MANAGER: NORMATIVE FINANCIAL MANAGEMENT (MR F JACOBS) (ACTING)
THE SENIOR MANAGER: ENTERPRISE RISK MANAGEMENT AND GOVERNANCE SYSTEMS (MR L NENE)
THE CHIEF AUDIT EXECUTIVE (MS R JAFTHA)
THE SENIOR MANAGER: ECONOMIC ANALYSIS (MS B BOQWANA)
THE SENIOR MANAGER: FISCAL POLICY: PROVINCIAL GOVERNMENT (MR D BASSON) (PRO TEM)
THE SENIOR MANAGER: FISCAL POLICY: LOCAL GOVERNMENT (MR G PAULSE) (PRO TEM)
THE SENIOR MANAGER: BUDGET MANAGEMENT (MS AJ HICKEY)
THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MR DG BASSON)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (MR G PAULSE)
THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)
THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
THE HEAD: OFFICE OF THE MINISTRY (MR G GESWINDT)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

TAX CLEARANCE CERTIFICATES

1. PURPOSE

- 1.1 The purpose of this document is to ensure that Accounting Officers and Chief Financial Officers take note and enforce:
- 1.2 National Treasury Practice Note SCM 1 of 2006, which refers to:
 - (a) The revised application document for Tax Clearance Certificate;
 - (b) The Tax Clearance Certificates for price quotations;
 - (c) The threshold for obtaining a Tax Clearance Certificate; and
- 1.3 National Treasury Practice Note SCM 3 of 2006, which refers to Tax Clearance Certificates for price quotations and competitive bids.

2. **National Treasury Practice Note SCM 1 OF 2006: Revised Application form for Tax Clearance Certificate**

- 2.1 The South African Revenue Services (SARS) has introduced a revised form for the application for a Tax Clearance Certificate (TCC 001). This form replaces the one that was attached to standard bidding document WCBD 2 previously issued with the implementation of Supply Chain Management on 1 January 2004 (or as SBD2 in National Treasury Practice Note 1 of 2003).
- 2.2 Accounting Officers / Authorities are required to implement and utilize the new bidding document WCBD 2 (Tax Clearance Certificate Requirements) together with the application SARS TCC 001 (Application for a Tax Clearance Certificate) on all future bid invitations. The standard wording of the forms should not be amended. Documents attached as Appendix A.

2.3 The Application for a Tax Clearance Certificate, TCC 01 is also available at any SARS branch office nationwide or on their website www.sars.gov.za. The following procedure should be followed to obtain a copy:

- (i) When the website opens, click on the drop down box "Forms" on the left hand side;
- (ii) Then click on the word "Go";
- (iii) Scroll down to "Tax Clearance" on the right hand side; and
- (iv) Click on "TCC 001".

2.4 The tax clearance certificate issued by SARS to the applicant will no longer contain a signature and date stamp. It will, amongst others, capture a unique tax clearance certificate number as well as an approval and expiry date. The tax clearance certificate will be valid for a period of 1 (one) year from the date of approval. An example of the new certificate is attached.

2.5 Practice note 1/2006 attached as Appendix B.

3. National Treasury Practice Note SCM 3 of 2006: Tax Clearance Certificates (TCC) for price quotations and competitive bids

3.1. If a department / institution is in possession of a supplier's original tax clearance certificate, it is not necessary to obtain a new tax clearance certificate when a price quotation or competitive bid is submitted from that specific supplier. This provision may be applied, only if the closing date of the price quotation falls within the expiry date of the tax clearance certificate that is within the department's / institution's possession. Whenever this ruling is applied, cross-reference must be made to the original tax clearance certificate for audit purposes.

3.2 This practice note supersedes paragraph 2 of National Treasury Practice Note 1 of 2006.

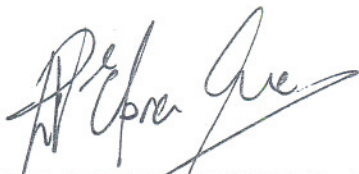
3.3 Practice note 3/2006 attached as Appendix C.

4. Implementations of new Tax Clearance Certificate (TCC) requirements via the Western Cape Supplier Database (WCSD) and Electronic Purchasing System

- 4.1 The tax clearance certificate requirements will be applicable to all transactions exceeding the provincial threshold value of **R 5 000 VAT included**.
- 4.2 Departments will be informed of the proposed implementation of the tax clearance requirements on the Electronic Purchasing System (EPSi) and Western Cape Supplier Database (WCSD).
- 4.3 The above-mentioned paragraph does not imply that suppliers will be exempt from the tax clearance requirements pending the date of implementation of the requirements on the EPSi and WCSD.
- 4.4 It must be noted that obtaining TCC's will remain the responsibility of departments until further notice.

5. REQUEST

- 5.1 Accounting Officers / Accounting Authorities are requested to inform all institutions under their control of:
- (a) the requirements for Tax Clearance Certificates in relation to National practice notes 1 and 3 of 2006; and
 - (b) the implementation of the new requirements in the province as indicated in paragraph 4 above.



ACTING SENIOR MANGER: MOVABLE ASSET MANAGEMENT

Date: 28/06/2007

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



Application for a Tax Clearance Certificate

Purpose

Select the applicable option

Tenders

Good standing

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name
(Initials & Surname
or registered name)

Trading name
(if applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount: R

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
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Audit

Are you currently aware of any Audit Investigation against you/the company? YES NO
If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding

I hereby authorise and instruct: to apply to and receive from
SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent
Name of representative/agent

Date

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer
Name of applicant/
Public Officer

Date

Notes:

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...As and when required in terms of the Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.



South African Revenue Service
Suid-Afrikaanse Inkomstediens
Uphiko lwezimali Ezingenayo eNingizimu Afrika
Titlomalotlo ya Afrika-Borwa

Tax Clearance Certificate Number

0064/1/2005/0001088683

Tax Clearance Certificate-Tender

Enquiries

0860 12 12 18

Approved Date

2005-10-05

Trading Name

SARS

Legal Name

SARS

Expiry Date

2006-10-05

Identity Number/ Passport Number

Company Registration Number

Income Tax Reference Number

VAT/Diesel Registration Number

PAYE Registration Number

SDL Registration Number

UIF Registration Number

It is hereby confirmed that, on the basis of the information at my disposal, the above-mentioned taxpayer has not contravened the provisions of Income Tax Act (1962), Value Added Tax Act (1991), Employees Tax (PAYE as contained within the Income Tax Act 1962), Skills Development Levies Act (1999) or Unemployment Insurance Contributions Act (2002), as at date of this certificate.

This Certificate is Valid for a period of 1 (One) Year from the date of approval.

Verification of this certificate can be done at any SARS Revenue office nationwide.

Photo copies of this certificate are not valid.

SARS reserves the right to withdraw this certificate at any time should it prevail that any taxes, levies or duties are due and outstanding by the abovementioned taxpayer during the one year period for which the certificate is valid.

This certificate is issued free of charge by SARS.



NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 Tel: +27 12 315 5111, Fax: +27 12 315 5234

Enquiries: J A N Breytenbach Ref: 3/4/3/2/10 Tel: 315-5342 Fax: 326-5445
e-mail: jan.breytenbach@treasury.gov.za

**TO ALL
ACCOUNTING OFFICERS: NATIONAL DEPARTMENTS
HEADS: PROVINCIAL TREASURIES
CHIEF FINANCIAL OFFICERS: PROVINCIAL DEPARTMENTS
CHIEF EXECUTIVE OFFICERS / CHIEF FINANCIAL OFFICERS: CONSTITUTIONAL
INSTITUTIONS / SCHEDULE 3A AND 3C PUBLIC ENTITIES**

**Supply Chain Management Office
Practice Note Number SCM 1 of 2006**

TAX CLEARANCE CERTIFICATES

This practice note is applicable to all national and provincial departments, constitutional institutions and public entities as defined in schedule 3A and 3C of the Public Finance Management Act (PFMA). All accounting officers of national departments and heads of provincial treasuries are required to disseminate the contents of this practice note to all chief financial officers of departments and public entities that fall under their jurisdiction.

- 1. Revised Application form for Tax Clearance Certificate**
 - 1.1 South African Revenue Service (SARS) has introduced a revised form for the Application for a Tax Clearance Certificate (TCC 001). This new form replaces the one that was attached to the standard bidding document SBD 2 previously issued on 5 December 2003 as part of practice note number SCM 1 of 2003.
 - 1.2 Accounting officers / authorities are required to utilize the attached standard bidding document form SBD 2 (Tax Clearance Certificate Requirements) together with the SARS TCC 001 (Application for a Tax Clearance Certificate) on all future bid invitations. The standard wording of these forms should not be amended.
 - 1.3 The Application for a Tax Clearance Certificate, TCC 001, is also available at any SARS branch office nationwide and on their website www.sars.gov.za. The procedure to obtain a copy is as follows:

- (i) When the website opens, click on the drop down box "Forms" on the left hand side;
- (ii) Then click on the word "Go";
- (iii) Scroll down to "Tax Clearance" on the right hand side; and
- (iv) Click on "TCC 001".

1.4 The tax clearance certificate issued to the applicant by SARS will no longer contain a signature and date stamp. It will, among others, capture a unique tax clearance certificate number as well as an approval and expiry date. The tax clearance certificate will be valid for a period of 1 (one) year from the date of approval. An example of the new certificate is attached.

1.5 Prior to the award of a bid, the principal should verify the tax clearance certificate submitted by a potential contractor at any SARS branch office nationwide. Enquiries in this regard can be directed to SARS at telephone number 0860 12 12 18. SARS will confirm such verification by electronic mail or per facsimile. Records of all verifications should be kept for audit purposes.

2 Tax Clearance Certificates for Price Quotations up to the value of R200 000 (VAT Included)

2.1 If a department / institution is in possession of a supplier's original valid tax clearance certificate, it is not necessary to obtain a new tax clearance certificate when a price quotation is submitted from that specific supplier. This provision may be applied, only if the closing date of the price quotation falls within the expiry date of the tax clearance certificate that is in the department's / institution's possession. Whenever this ruling is applied, cross-reference must be made to the original tax clearance certificate for audit purposes.

3. Threshold for obtaining Tax Clearance Certificate

3.1 The tax clearance certificate requirements should be applicable to all transactions exceeding the threshold value of R30 000 (thirty thousand rand) (VAT included).


C C W KRUGER
DEPUTY DIRECTOR-GENERAL: SPECIALIST FUNCTIONS

DATE: 23/1/2006

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate

Purpose

Select the applicable option

Tenders

Good standing

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name
(Initials & Surname
or registered name)

Trading name
(if applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax:
no

E-mail address

Physical address

Postal address

Particulars of representative: (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax:
no

E-mail address

Physical address

Particulars of tender (if applicable)

Tender number

Estimated Tender amount: R

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
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Audit

Are you currently aware of any Audit investigation against you/the company? YES NO
If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding

I hereby authorise and instruct _____ to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent	Date
Name of representative/agent	

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer	Date
Name of applicant/Public Officer	

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...
 As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.



South African Revenue Service
Suid-Afrikaanse Inkomstediens
Uphiko lwezimali Ezinganyo eNingizimu Afrika
Tirelomatlotlo ya Afrika-Borwa

Tax Clearance Certificate Number
0064/1/2005/0001088683

Tax Clearance Certificate-Tender

Enquiries

0860 12 12 18

Approved Date
2005-10-05

Trading Name

SARS

Legal Name

SARS

Expiry Date
2006-10-05

Identify Number/ Passport Number

Company Registration Number

Income Tax Reference Number

VAT/Diesel Registration Number

PAYE Registration Number

SDL Registration Number

UIF Registration Number

It is hereby confirmed that, on the basis of the information at my disposal, the above-mentioned taxpayer has not contravened the provisions of Income Tax Act (1962), Value Added Tax Act (1991), Employees Tax (PAYE as contained within the Income Tax Act 1962), Skills Development Levies Act (1999) or Unemployment Insurance Contributions Act (2002), as at date of this certificate.

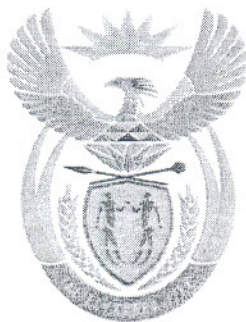
This Certificate is Valid for a period of 1 (One) Year from the date of approval.

Verification of this certificate can be done at any SARS Revenue office nationwide.

Photo copies of this certificate are not valid.

SARS reserves the right to withdraw this certificate at any time should it prevail that any taxes, levies or duties are due and outstanding by the abovementioned taxpayer during the one year period for which the certificate is valid.

This certificate is issued free of charge by SARS.



**NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA**

Private Bag X115, Pretoria, 0001 Tel: +27 12 315 5111, Fax: +27 12 315 5234

Enquiries: J A N Breytenbach

Ref: 3/4/3/2/10

Tel: 315-5342

Fax: 326-5445

e-mail: jan.breytenbach@treasury.gov.za

TO ALL

ACCOUNTING OFFICERS: NATIONAL DEPARTMENTS

HEADS: PROVINCIAL TREASURIES

CHIEF FINANCIAL OFFICERS: PROVINCIAL DEPARTMENTS

**CHIEF EXECUTIVE OFFICERS / CHIEF FINANCIAL OFFICERS: CONSTITUTIONAL
INSTITUTIONS / SCHEDULE 3A AND 3C PUBLIC ENTITIES**

**Supply Chain Management Office
Practice Note Number SCM 3 of 2006**

**TAX CLEARANCE CERTIFICATES FOR PRICE QUOTATIONS AND COMPETITIVE
BIDS**

This practice note is applicable to all national and provincial departments, constitutional institutions and public entities as defined in schedule 3A and 3C of the Public Finance Management Act (PFMA). All accounting officers of national departments and heads of provincial treasuries are required to disseminate the contents of this practice note to all chief financial officers of departments and public entities that fall under their jurisdiction.

- 1 If a department / institution is in possession of a supplier's original valid tax clearance certificate, it is not necessary to obtain a new tax clearance certificate each time a price quotation or bid is submitted from that specific supplier. This provision may be applied only if the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate that is in the department's / institution's possession. Whenever this ruling is applied, cross-reference must be made to the original tax clearance certificate for audit purposes.
- 2 This practice note supersedes paragraph 2 of practice note number SCM 1 of 2006 issued on 23 January 2006.

C C W KRUGER
DEPUTY DIRECTOR-GENERAL: SPECIALIST FUNCTIONS

DATE: 26/5/2006

Jeyrel:js355a