



TAX

An overview of our practice



EVERYTHING MATTERS

TAX

In a complex commercial environment our Tax team aims to provide clear and practical business solutions. Tax is a highly regulated area, carefully monitored and strictly enforced by the authorities. In this environment the planning, implementation and reporting of significant business transactions are best undertaken with a clear understanding of the tax consequences.

The ongoing operations of any business equally depend on certainty regarding their tax liability and the need to be aware of the appropriate measures to ensure their compliance with a complex legislative environment.

Working alongside our corporate and commercial lawyers, our Tax team integrates tax and legal expertise and market knowledge with an understanding of a client's business needs to deliver a holistic service. We work together with our mergers and acquisitions, and finance and banking practices to ensure the efficient structuring of transactions, from inception through to implementation.

Industry expertise is essential to advising clients in an efficient and commercially oriented manner. We have experience in a wide range of industries including financial services, mining, retail, services industry, construction, telecommunications and property.

Our advice takes the specific requirements of each industry sector into account.

The complex and regulated nature of their businesses and organisations within the financial services industry are, for instance, subject to special tax provisions. Our Tax team has advised banks, insurers and hedge funds on taxation matters. We have the capacity and expertise to address the multi-faceted needs of all clients.

With the increased international emphasis on South Africa as a base for investment into Africa, transactions involving inbound and outbound investment have become more common. Our proven track record in cross border structuring and international affiliations means that our Tax team is capable of delivering seamless advice at a global level.

The Tax team is actively involved in making:

- Representations at National Treasury and the South Africa Revenue Service to effect tax amendments
- Submissions to the Portfolio Committee on Finance regarding required and proposed tax amendments



OUR SERVICES

Tax advisory

We provide advice on the direct and indirect taxation consequences of all the business activities:

- Mergers and acquisitions
- Asset and/or business disposals and acquisitions
- Black economic empowerment (BEE) transactions
- Remuneration structuring
- Group analysis and restructuring
- Financial services taxation
- Employee share incentive schemes
- New business operations
- Capital allowance reviews

Associated with the ongoing tax advice required by businesses, we assist clients by providing detailed tax opinions relating to all direct and indirect tax queries.

In order to provide greater certainty regarding the application or not of the direct and indirect tax legislation, we offer the service of making applications to the Advance Tax Ruling unit of SARS and attending to liaising with SARS throughout the application process.

Tax management advisory

We advise on tax management and governance:

- Tax governance reviews and assessments
- Chairing and serving on tax committees
- Tax risk and control identification workshops
- Tax strategy and tax policy formulation
- Outsourced tax management functions

Tax dispute resolution

We assist in dispute resolution:

- Responding to SARS queries and liaising with SARS to efficiently and effectively resolve matters
- Management of a SARS audit process
- Drafting of objections and appeals
- Representation in alternative dispute resolution reviews
- Tax litigation with the attendant expertise in preparation for hearings of matters
- Administration and constitutional tax-related matters

Independent tax reviews and tax due diligence

We perform comprehensive independent reviews:

- Tax due diligence reviews in respect of all direct and indirect taxes
- Income tax risk identification and assessment
- PAYE risk identification and assessment
- International tax risk review and assessment
- Capital Gains Tax (CGT) risk identification and assessment

International tax advisory

We provide advice on international transactions:

- Inbound and outbound investment, including the tax dispensation applicable regarding intellectual property
- Treatment of foreign exchange differences
- Thin capitalisation

- Transfer pricing
- Permanent establishments
- Controlled foreign companies
- Foreign tax credits
- Double taxation agreements
- Exchange control requirements that must be observed

Indirect tax consulting

We advise clients and assist in the following areas:

- VAT services
 - Advisory services regarding the application of the Value-Added Tax Act
 - VAT risk identification and assessment
 - Cross-border VAT planning
 - Referral
 - Dispute resolution
- Customs and excise services
 - Tariff application
 - Transaction value applications
 - Import and export compliance
 - Compliance
 - Dispute resolution
 - Opinion work
 - Trade remedy issues

Tax training

We can provide practical, tailor-made training in all tax areas, including:

- Tax law updates
- CGT
- VAT
- International tax
- PAYE
- Share incentive schemes
- Tax management and governance
- Corporate restructuring rules
- Taxation of insurance companies

WHY CHOOSE CLIFFE DEKKER HOFMEYR?

With some 130 directors and 300 lawyers, Cliffe Dekker Hofmeyr is one of the largest business law firms in South Africa, combining a strong national presence with global reach.

Our legal teams are fairly evenly split between our Johannesburg (Sandton) and Cape Town offices, giving us a sizeable footprint in both key financial centres in South Africa.

Our exclusive relationship with DLA Piper, one of the largest legal services providers in the world, extends our reach on behalf of our clients to all the major business centres globally.

Africa is a key growth area. As a member of DLA Piper Group with its network of firms across the African continent, we offer our clients an unparalleled pan-African service that combines international expertise with an excellent knowledge of local legal and cultural frameworks. (Read more at www.dlapiper.com/africa).

OUR SERVICES

We offer a full complement of business legal services in ten core Practice Areas:

Corporate and Commercial, including Intellectual Property; Competition; Dispute Resolution: Litigation and Arbitration; Employment; Environmental; Finance, Projects and Banking; Real Estate; Tax; Technology, Media and Telecommunications; and Trusts and Estates.

We also have niche sector and service teams focusing on a variety of industries and business sectors including:

aviation; black economic empowerment; energy; healthcare and pharmaceuticals; infrastructure; insolvency; Islamic finance; mining; occupational health and safety; outsourcing; pensions, projects and PPPs; public sector law and private equity, among others.

Our lawyers are specialists. The scale of the firm gives our lawyers the capacity to narrow their area of expertise, allowing them to specialise in a particular field of law and broaden their level of knowledge in that specialist area.

We offer the advantage of one law firm with the depth of resources and capabilities to meet the full service business needs of our clients, no matter the size of the transaction – large or small - anywhere in the world.

EMPOWERMENT AND TRANSFORMATION

We aspire to be a firm that cherishes diversity and equal opportunity by actively contributing to attaining the objectives of Black Economic Empowerment.

Cliffe Dekker Hofmeyr has achieved a **Level 3** Contributor BEE rating from Empowerdex. Some 30% of the firm's shares are controlled by black directors while 25% are held by women.

Our philosophy is that if it matters to our clients, it matters to us!

WHAT OTHERS SAY ABOUT US

At Cliffe Dekker Hofmeyr, we are regularly ranked as a first-rate firm in authoritative professional directories and many of our lawyers are highly recommended in their respective fields.

Selected recent accolades, which are based on client reviews in independent surveys, include:

- ***Rated in the top two large law firm rankings over the past seven years and ranked No 1 over four years*** in the PMR.africa annual survey in which clients rate the top legal firms across a range of 21 service attributes.
- ***ACQ Finance 2009 Country Awards for Achievement***, winner:
 - Client Focused Law Firm of the Year
 - Full Service Law Firm of the Year
- ***ACQ Finance 2009 Law Firm of the Year Awards***, winner:
 - M&A Law Firm of the Year
 - Public Procurement Law Firm of the Year
 - Product Liability Law Firm of the Year
 - Management Labour and Employment Law Firm of the Year.
 - Commercial Litigation Law Firm of the Year
- ***World Finance 2010 Legal Awards***, winner:
 - Best Dispute Resolution Team
 - Best Competition and Anti-Trust Team

What others say about our Tax practice

We are widely acknowledged as one of South Africa's leading Tax practices and our tax and law practitioners are named among the world's best by peers and clients alike in the leading business and tax guides.

Selected accolades include:

World Tax 2010:

The commentators described Cliffe Dekker Hofmeyr's tax practice as having grown substantially over the last 12 months with the addition of "*renowned cross-border transaction expert*", Emil Brincker along with Natalie Napier from Edward Nathan Sonnenbergs, and Justin Liebenberg from Grant Thornton.

One client said: "*I have used Cliffe Dekker Hofmeyr on share schemes and they were very good*".

Chambers Global 2009

Chambers comments: This firm has been steadily growing the capabilities of its tax department and is particularly focused on developing its Johannesburg office, where a recent notable arrival is Justin Liebenberg from Grant Thornton. The group covers a wide range of tax work, including inbound and outbound investment, share incentive schemes and VAT, and acts for clients from the financial services, mining and construction industries.

Clients appreciate that the team is comprised of "*people who have been in the industry for many years and obviously know their game*." Emil Brincker is an "*authority on tax matters*" and a "*prolific, standout lawyer*," whose work encompasses advice on export finance, private equity, BEE and corporate reorganization and restructuring.

Clients highlighted both his vast tax knowledge and his impeccable service. Interviewees also singled out the practice's "*holistic approach - it makes sure all your legal and tax queries are covered*." Individual rankings: Emil Brincker.

Practical Law Company PLC Which Lawyer? 2009

Our Tax practice is recommended. Emil Brincker is listed as a leading individual from 2003 - 2009. He is "*recommended for structured finance, corporate tax and advice on international tax matters*"

The Legal 500 Europe, Middle East & Africa Series, 2009

DLA Cliffe Dekker Hofmeyr recruited the eminent Emil Brincker from Edward Nathan Sonnenbergs Inc in 2008. We have found the service to be "*extremely high quality and are very pleased to use them*" remarked one impressed corporate client.

Best Lawyers International 2009 lists Emil Brincker in Tax.

Tax Directors Handbook 2008 lists Emil Brincker as one of top 250 global tax advisors.

Expert Guides 2009 lists Emil Brincker among South Africa's pre-eminent Tax Advisers.

The ***South African Institute of Tax Practitioners*** named Emil Brincker 'Tax Adviser of the Year 2009' for his outstanding contribution to the South African tax profession.

CONTACT US

For advice, please contact any member of our Tax team listed below.



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