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 W KRUGER
DEPUTY DIRECTOR-GENERAL: SPECIALIST FUNCTIONS
DATE: 20/5/2006