



**NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA**

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TO ALL –

ACCOUNTING OFFICERS OF CONSTITUTIONAL INSTITUTIONS, AND NATIONAL AND PROVINCIAL DEPARTMENTS, HEADS OF PROVINCIAL TREASURIES AND ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

2019 REMUNERATION OF NON-OFFICIAL MEMBERS: COMMISSIONS & COMMITTEES OF INQUIRY, AND AUDIT COMMITTEES

1. The Minister of Finance has declined an amendment to the **maximum remuneration payable per day** to non-official members of *Commissions* and *Committees of Inquiry*. The rates with effect from 1 April 2018 remain valid and are as follows:

	COMMISSION OF INQUIRY		COMMITTEE OF INQUIRY	
	Per day	Per hour	Per day	Per hour
Chairperson	R5 230	R654	R4 317	R540
Member	R3 888	R486	R2 619	R327

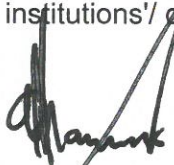
2. With reference to Treasury Regulation 3.1.6, the remuneration applicable to **Committees of Inquiry** is applicable to members of **Audit Committees** appointed from outside the public service.
3. The indicated rates are sitting fees and exclusive of payments in respect of preparation, research and travelling (to and from meeting venues) time.
4. Current VAT law requires non-executive directors (NEDs) of companies to register for and charge VAT in respect of any director's fees earned for services rendered as a non-executive director. **Kindly note that the above rates are VAT inclusive.**

The value of the fees must, however, exceed the compulsory VAT registration threshold of R1 million in any 12-month consecutive period but NEDs can voluntarily register for VAT as well. ¹

5. *Employees of National, Provincial and Local Government or Institutions, Agencies and Entities of Government serving on Commissions or Committees of Inquiry or audit committees are not entitled to additional remuneration.*

¹ Further details on the remuneration of Non-executive Directors is available on <http://www.sars.gov.za/Media/MediaReleases/Pages/14-February-2017--Non-Executive-Directors-of-Companies-must-register-for-VAT.aspx>.

6. All expenditure that could arise from applying this circular must be defrayed from institutions'/ departments'/ public entities' existing budget allocations.

 G H MANACK

GOOLAM MANACK
(CHIEF DIRECTOR: PUBLIC ENTITIES GOVERNANCE UNIT)
for DIRECTOR-GENERAL: NATIONAL TREASURY
DATE 30/8/2019