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FROM: Mr JC Krüger Ref: FP20-8/6/2/2/4/1/001 Tel: 012 315 5219 e-mail: Chris.Kruger@treasury.gov.za

TO ALL -

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

## 2022 REMUNERATION OF NON-OFFICIAL MEMBERS: COMMISSIONS & COMMITTEES OF INQUIRY, AND AUDIT COMMITTEES

1. The Minister of Finance, in terms of Treasury Regulation 20.2.2, granted approval to amend the **maximum remuneration payable per day** to non-official members of *Commissions* and *Committees of Inquiry* by 3,0 per cent with effect from 1 April 2022 as follows:

	COMMISSION OF INQUIRY		COMMITTEE OF INQUIRY	
	Per day	Per hour	Per day	Per hour
Chairperson	R5 387	R673	R4 446	R556
Member	R4 005	R501	R2 698	R337

- 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<sup>1</sup>.
- 5. Employees of organs of State serving on Commissions or Committees of Inquiry or audit committees are not entitled to additional remuneration.

<sup>&</sup>lt;sup>1</sup> Further details on the remuneration of Non-executive Directors is available on <a href="http://www.sars.gov.za/Media/Media/Releases/Pages/14-February-2017">http://www.sars.gov.za/Media/Media/Releases/Pages/14-February-2017</a>—Non-Executive-Directors-of-Companies-must-register-for-VAT.aspx.



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6. Any additional expenditure that could arise by implementing this approval must be defrayed from existing budget allocations of institutions/departments/public entities.

GOOLAM MANACK

(CHIEF DIRECTOR: PUBLIC ENTITIES GOVERNANCE UNIT) for DIRECTOR-GENERAL: NATIONAL TREASURY DATE 12 0 1 2023

GH MANACE