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**Explanatory note:**

*These amendments are proposed at the behest of SARS as a requirement of our receiving public benefit organisation status. The amendments do not significantly affect PRABOA's operations.*

The following amendments to the constitution of PRABOA are proposed:

1 The numbering of existing clauses of the constitution be amended as follows:

Existing	New	Existing	New	Existing	New
6.5	6.6	7.8	7.9	7.9	7.10
9.3 (bis)	9.5	9.4 (bis)	9.6	9.5	9.7
9.6	9.8	9.7	9.8		

2 Add:

7.8 No two members of the committee, whether elected or coopted, may be connected persons within the meaning of the Income Tax Act, and any purported election or cooption shall be void.

3 substitute in clause 5.8 from “but only” to the end of that sentence:

but only to (i) a public benefit organisation, which has been approved by in terms of section 30 of the income tax act, or (ii) an institution, board or body which is exempt from the payment of income tax in terms of section 10(1)(cA)(i) of the Income Tax Act, which has as its sole or principal the carrying on of any public benefit activity, or (iii) any department of state or administration in the national provincial or local sphere of government of the Republic, contemplated in section 10(1)(a) or (b) of the Income Tax Act.

4 Add:

2.13 to carry on its activities in a non-profit manner and with an altruistic or philanthropic intent.

5 Add to clause 2.3:

and no resources of PRABOA shall be used directly or indirectly to support, advance or oppose any political party.

6 In clause 5.7,

after “remuneration” add: “and not excessive having regard to what is generally considered reasonable for such services,”

after “hereof” add “nor promote the economic self-interest of any person.

7 Add:

5.11 No donation shall be accepted which is revocable at the instance of the donor, unless it falls within the terms of clause 5.10 and the purpose was specified at the time of the donation.

8 Add:

5.12 No donation shall be accepted subject to any condition which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such benefit, provided that this is not applicable to a donor which is an approved public benefit organisation or an institution, board or body which is exempt from tax in terms of section 10(1)(cA)(i) of the Income Tax Act which has as its sole or principle object the carrying out of any public benefit activity.

9 Add:

5.13 PRABOA may not be, nor knowingly permit itself to be, a party to or associated with any transaction, operation or scheme of which the sole or main purpose is the reduction, postponement or avoidance of liability for any tax duty or levy which would have become payable by any person under any act administered by the Commissioner of the South African Revenue Service.

10 Add:

6.5 Any amendments to this constitution shall be submitted to the Commissioner of the South African Revenue Service so soon as may be.

Chris Diamond

30 October 2019