

Information on SAIA Practices and Levies

The SA Institute of Architects (SAIA) adopted a new Constitution with effect from 1 July 2015.

Members are recognised in two main categories - Individuals and SAIA Practices.

- Individual membership of SAIA is voluntary and regionally based. Members of regional institutes who are registered as Professional or Candidate Architects are enrolled as SAIA members. Individual subscriptions comprise a regional component and a relatively small SAIA component. Regional institutes issue tax invoices for individual membership subscriptions which include the individual's SAIA portion of the subscription.
- A SAIA Practice is a practice that consists of at least one principal who is a member of SAIA. Status as a SAIA Practice is mandatory. They must submit an annual declaration stating the architectural staff complement of the practice as at 01 July in order for SAIA to calculate the practice levy for the year. SAIA issues the relevant tax invoice.

SAIA PRACTICE LEVIES FOR 2015-16

The following principles apply to SAIA Practices. These are presented as the most frequently asked questions.

What is a practice?

- Every architectural practice must be recorded with the SA Council for the Architectural Profession (SACAP) in compliance with the SACAP Code of Professional Conduct Rules.
- A person or persons who operate a practice in their own name or as a partnership, a cc, a company or the like, must submit details of the practice name, address, etc to SACAP.
- If, for business reasons, a person operates more than one firm or company from the same address, each practice must be recorded with SACAP.
- If a firm or company has more than one office, each branch office must be recorded with SACAP.
- Joint ventures set up by two or more practices for a specific venture do not necessarily constitute a practice, unless it is recorded with SACAP as a separate practice entity.
- This listing of Architectural practices is updated on a continual basis by SACAP in accordance with the regulations. SAIA maintains data base of SAIA practices from the information received.

What is a SAIA practice?

Every SACAP recorded practice and where at least one principal is a member of SAIA, **deemed to be** a SAIA practice.

Who is an employee?

An employee is an architect, whether they are architects, technologists or draughts persons, designers, or CAD operators employed by the practice on performance-based term contracts and half-day or part-time architectural assistants. An employee is defined in the Income Tax Act (1962) and the Skills Development Levies Act in more detail, but simply put, it includes persons whose remuneration is subject to Unemployment Insurance Fund (UIF) contributions.

What is an employee unit?

For purposes of determining the size of each SAIA practice the term employee unit is used. The total number of employee units in a practice is determined by the total number of principals and architectural employees. Half-day or part-time employees are calculated on a pro rata basis, e.g. 2 half-day employees = 1 employee unit. **Admin, technical and support staff is excluded from calculating the number of employee units in a practice.**

How much will the annual subscriptions be and how will it be determined for 2015-16?

- The subscriptions are due annually on 01 July.
- payment should reach SAIA no later than 31 August.
- A levy per category plus the TOTAL number of Architectural employee units are used to calculate the SAIA practice levy due by each SAIA Practice.
- The levies (Vat Excl) per category are:

	Category	Size of Practice	Levy (Vat Excl)
○	Micro	1 employee unit	R800-00
○	Small	2 - 3 employee units	R2,000-00
○	Medium	4 - 9 employee units	R5,200-00
○	Large	10 - 15 employee units	R12,000-00
○	Macro	16+ employee units	R30,000-00

- The rate per employee unit is R300-00 per employee.
- How to calculate the SAIA Practice Levy:
*If the total number of **Architectural employee units** declared equals **4**, then the category will be "**MEDIUM**".*

Levy for MEDIUM practice	5,200-00
4 (Empl Units) x R300-00	1,200-00
Sub Total	<u>6,400-00</u>
14% VAT	896-00
Levies dues	<u><u>R7,296-00</u></u>

How should one calculate the SAIA Practice Levy if one operates more than one practice?

- It is recommended that the principal employer of the practice identifies each architectural staff member in its employ to calculate the total number of employee units of a specific practice.
- Principals should be included in the calculation of each practice, but it is unlikely that staff will be employed by two practices at the same time.
- We rely on members to reflect the practice realities in their annual declarations.

How should one calculate the subs of a practice which is formed during the year?

- Practices which are formed during the financial year must submit the particulars of the practice within 30 days and the practice will only be liable for a *pro rata* portion of the annual subscriptions.

- The subs due are calculated on a monthly basis from the first of the month in which the practice was formed.

If membership is voluntary, why can one not elect to join either as an individual or as a SAIA Practice?

- Individual membership of a Regional institute and therefore of SAIA is voluntary.
- Status as a SAIA Practice is mandatory when at least one principal is a member of SAIA.
- There is no provision in the Constitution for independent SAIA Practice membership.

LEVIES & MEMBERSHIP CERTIFICATES:

- **Individual subscriptions** are paid to the Regional institute in accordance with the regional account. Individual members receive a SAIA membership certificate only once upon enrolment.
- **Every practice or practice entity** as described earlier completes an annual declaration with supporting schedules and submits this, together with the requisite payment to the **SA Institute of Architects no later than 31 August**. Please note that the responsible principal, duly authorised to do so, signs the declaration.
- An extended period may in particular cases be allowed:
 - On receipt of a written application from the entity, on condition that the levy shall be paid within 6 months, that they experience financial hardship
 - An arrangement, in writing, with SAIA that the levies will be paid in monthly installments.
 - A request in writing to motivate for the practice levies to be waived for **one** year only, giving full particulars. The board may in its own discretion decide to waive/not waive the levies.
- An annual **SAIA practice certificate** will be issued to all the SAIA practices which are paid-up and in good standing.

TERMINATION OF A SAIA PRACTICE:

A SAIA practice shall cease to be a SAIA practice when:

- The principal member/s cease to be a member of SAIA.
- Failure of a SAIA practice to pay the practice levy.
- Please note that a member shall forfeit membership when a member's practice shall cease to be a SAIA practice.